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ABSTRACT

The Subcommittee on the District of Columbia of the House Committee on Government Reform and Oversight held a hearing to discuss an accurate census of the District of Columbia public schools and the system's enrollment. Subcommittee Chairman Thomas M. Davis (Virginia) noted that an accurate and reliable count of student enrollment is directly related to the system's ability to determine how many classrooms are needed and how many teachers, administrators, and support personnel are required. Congresswoman Eleanor Holmes Norton (District of Columbia) concurred and mentioned some of the issues that make an accurate enrollment count difficult, and Congresswoman Constance A. Morella (Maryland) also voiced her agreement. The first statement of the first panel was from Cornelia M. Blanchette of the U.S. General Accounting Office (GAO), who described the GAO's August 1997 report and the actions the District of Columbia schools reported taking in response to the report. George Grier, representing a statistical consulting firm, talked about the difficulties of obtaining a correct count of students in an urban district where many students come from or go to surrounding jurisdictions. General Julius W. Becton, the Chief Executive Officer and Superintendent of the District of Columbia Public Schools, reported on efforts to improve the accuracy of the school counts. Richard Wenning of the District of Columbia Public Schools discussed steps taken to improve the enrollment counts, and a general discussion of the problems and potential solutions followed. The afternoon panel consisted of: (1) Joyce Ladner, Member of the District of Columbia Financial Responsibility and Management Assistance Authority; (2) Bruce K. MacLaury, Chairman of the school system's Emergency Transitional Education Board of Trustees; and (3) Wilma Harvey, President of the Board of Education of the District of Columbia. These officials discussed enrollment counting in the context of the transitional Board of Education and the overall District of Columbia educational reform effort. Prepared statements of the witnesses at this hearing follow their remarks or are substituted for them in some instances. (SLD)

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DISTRICT OF COLUMBIA PUBLIC SCHOOL CENSUS AND ENROLLMENT OVERSIGHT

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ED 424 326

HEARING

BEFORE THE

SUBCOMMITTEE ON THE
DISTRICT OF COLUMBIA

OF THE

COMMITTEE ON
GOVERNMENT REFORM
AND OVERSIGHT
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTH CONGRESS

SECOND SESSION

MARCH 13, 1998

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DISTRICT OF COLUMBIA PUBLIC SCHOOL CENSUS AND ENROLLMENT OVERSIGHT

FRIDAY, MARCH 13, 1998

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA,
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
Washington, DC.

The subcommittee met, pursuant to notice, at 12 p.m., in room 2154, Rayburn House Office Building, Hon. Thomas M. Davis (chairman of the subcommittee) presiding.

Present: Representatives Davis, Morella, and Norton.

Staff present: Ron Hamm, staff director; Howard Denis, counsel; Bob Dix and Anne Mack, professional staff members; Ellen Brown, clerk; and Cedric Hendricks, minority professional staff member.

Mr. DAVIS. Now that the key people have arrived here on my right and left, good afternoon and welcome. It is fair to say that this subcommittee has a myriad of issues to deal with. However, few are as important as the revitalization and stability of the District of Columbia than issues that relate to the D.C. public school system.

On January 23, this subcommittee conducted an oversight hearing dealing primarily with the 1997 D.C. public schools repair program and facilities master plan. Today we are going to address a fundamental element in the development and implementation of any successful plan for facilities, staffing and other resources for a public school system. That element is the process and result of determining a reliable student enrollment count for the D.C. public schools.

It has been clearly established that enormous challenges exist related to D.C. public school facilities. Those challenges include the need for emergency capital repairs, catching up on deferred maintenance, disposition of properties and buildings determined to be surplus, establishing effective schedules for routine maintenance, upgrading systems such as electricity, heating and air conditioning, and addressing the technology and laboratory needs that are critical to academic achievement, particularly in an Information Age. An accurate, reliable and credible accounting of student enrollment is directly related to the ability to determine how many classrooms are needed, how many teachers, administrators and support personnel are needed, how much in supplies is needed, and correspondingly what is needed in the way of funding and other resources.

I congratulate all who have been involved in the D.C. school reform efforts. Measurable progress has been made in many areas.

However, resolution of this student enrollment count issue is critical to an ability to successfully advance the efforts to reestablish the District of Columbia public school system as one of the finest in the Nation.

Last August the General Accounting Office released a report we requested which examined the procedures and results of the District of Columbia public schools student enrollment count process, focusing on the 1996–97 school year. The report included recommendations which addressed failures and inaccuracies of the past in an effort to establish procedures which would produce accurate and reliable results. Some of these recommendations have been acted upon and some of the issues raised in the GAO report are being addressed as work in progress. However, I am distressed that in a followup evaluation by the GAO which looked at the procedures used to determine the enrollment count of 77,111, that many deficiencies were said to remain, including a number of items addressed in the August 1997 GAO report. In fact, the GAO found that over half the enrollment count included incomplete information as to residency.

There are a number of other critical issues that the subcommittee will address in the course of this hearing. I remain optimistic that by working together we can build on the progress that has been made.

I yield to Delegate Norton, the ranking member of the subcommittee, for any opening statement she may wish to make.

[The prepared statement of Hon. Thomas M. Davis follows:]

ONE HUNDRED FIFTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

2157 Rayburn House Office Building

Washington, DC 20515-6143

Subcommittee on the District of Columbia

Honorable Tom Davis
Chairman

March 13, 1998

OPENING STATEMENT

Good afternoon and welcome. It is fair to say that this Subcommittee has a myriad of issues to deal with. However, few are as important to the revitalization and stability of the District of Columbia than issues related to the D. C. Public Schools.

On January 23rd, this Subcommittee conducted an oversight hearing dealing primarily with the 1997 D. C. Public Schools repair program and Facilities Master Plan. Today, we will address a fundamental element in the development and implementation of any successful plan for facilities, staffing and other resources for a public school system, that being the process and result of determining a reliable student enrollment count for the D. C. Public Schools.

It has been clearly established that enormous challenges exist related to D. C. Public School facilities. Those challenges include the need for emergency capital repairs; catching up on deferred maintenance; disposition of properties and buildings determined to be surplus; establishing effective schedules for routine maintenance; upgrading systems such as electricity, heating and air conditioning; and addressing the technology and laboratory needs that are critical to academic achievement. An accurate, reliable and credible accounting of student enrollment is directly related to the ability to determine how many classrooms are needed, how many teachers, administrators, and support personnel are needed, how much in supplies is needed, and correspondingly, what is needed in the way of funding and other resources to meet those identified and confirmed needs.

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I congratulate all of those who have been involved in D. C. school reform efforts and who have made measurable progress in many areas. However, resolution of this student enrollment count issue is critical to an ability to successfully advance the efforts to reestablish the District of Columbia Public School system as one of the finest in this Nation. Additionally, the recent news about the departure of several key senior staff members, including the COO, the CFO, the General Counsel, and the Director of the Department of Educational Accountability, among others, is troubling to say the least.

In August of last year, the United States General Accounting Office, released a report which responded to a request from this Subcommittee to examine the procedures and results of the DCPS student enrollment count process, particularly focused at the 1996-97 school year. The report included recommendations which would address failures and inaccuracies of the past in an effort to establish procedures which would produce accurate and reliable results. Some of those recommendations have been acted upon and some of the issues raised in the GAO report are being addressed, although they continue to be a work in process. What is particularly distressing however, is that in a follow-up evaluation by GAO that looked at the procedures implemented to produce the 1997-98 results which yielded an enrollment count of 77,111, many deficiencies remain, including a number of the items addressed in the August 1997 GAO report.

In fact, GAO found that over 50% of the student enrollment count for 1997-98 of 77,111 students, included incomplete information as it related to either residency verification forms, proof or residency, or both.

There are a number of other outstanding issues which the Subcommittee will attempt to address during the question and answer period with the respective panels.

I continue to remain optimistic that by working together, we can further build on the progress that has made.

Ms. NORTON. Thank you, Mr. Chairman. I want to thank Chairman Tom Davis for holding this oversight hearing concerning the District of Columbia public schools enrollment count. As Tom knows, this issue has been a pet peeve of mine for two reasons. It is an example of a long-standing chronic problem that could have been easily fixed long ago, and it is the kind of issue totally within the control of the city that is used against the District when I try to get additional money in the Congress. I do regret the necessity for this hearing. Although I supported an alternative to the wholesale eradication of the elected school board, I have not joined the detractors of the new officials. Quite the contrary, just yesterday in a hearing in a House Education Subcommittee and later on the House floor as well I praised the District's new chief academic officer, Arlene Ackerman, for her fast start, her no nonsense, fresh approach and her zeal for action over words. I can only say that I was thrilled at her testimony that next year our youngsters would read the equivalent of 25 books. In the face of such new and concrete efforts by Dr. Ackerman and by General Becton, it is unfortunate that a threshold issue such as a continually inaccurate enrollment count is left year after year to feed the instinct of some Members of Congress to ignore what progress is being made.

Despite some continuing criticism by the General Accounting Office of the way the District counts its students, GAO also indicates that some progress has been made in the school systems approach to the counting of students. Unfortunately, the problem has long been pursued with only one hypothesis rather than with alternative hypotheses to account for the enrollment figure, and even the GAO report overconcentrates on the most obvious one, the mechanics of the count, giving too little attention to the possibility that the school system may have many freeloaders from suburban jurisdictions. The first hypothesis that the school system is simply unable to count, which would have left it in no position to teach children to do so, is where we have been stuck. While there have been real problems in putting together a sound procedure for the count, the second explanation may be more important, it is certainly more serious, that the school system has been counting both residential and nonpaying, nonresidential students. After all, the population of the District has been tumbling badly since the late 1980's and since 1990 has spiraled precipitously down while we were asked to believe that the school population could remain stable and in some years actually increase.

The District's most recent count, 1997, of its student population at something over 77,000 was nearly statistically identical to last year's count of something over 78,000. Of course, these figures defy recently released census data that show that in only the last 2 years the District has lost as many residents as it lost in the entire decade of the 1980's. In the 1990's the District is on track to lose 3 times as many residents as it lost in the 1980's, and currently the city is at its lowest population since the Depression. Population losses have been greatest in wards 7 and 8, where most of the District's children reside. There is no way, in the face of these devastating statistics, that public school enrollment count could remain stable from year to year.

Although the GAO recommendations about how to perform a proper count are important, they are not my major interest, especially in light of the improvement underway that I believe will continue. I hope that the school system will give priority to quickly obtaining tuition from nonpaying, nonresidential parents, including billing them for past services and returning such students to their home jurisdictions absent prompt payment. Many of the freeloading parents may be city employees, the majority of whom do not live in the District, who may bring their children with them as a convenience to take advantage of some of our best programs, such as early childhood, our special high schools and others. If so, these are the same people who use other city services as well but get protection from commuter taxes. Some of them were driving home to suburban jurisdictions on our gas cards until Congress stepped in. The recently enacted law, which allows no exceptions, still may not be fully enforced.

Further, we all must be alarmed by the GAO's finding that nearly 60 percent of DCPS students have either failed to prove residency or to provide residency verification forms. I can only hope that this does not mean that anything like this number are illegally entering the District to attend our public schools. However, the discrepancy between the declining population and the stable school population figures suggest the possibility of massive fraud. In recent years, some even have alleged that some school officials in the past deliberately failed to address these faulty numbers to keep budgets high. Current officials need to move quickly to solve the nonresidency problem to keep this alleged taint from traveling to them.

In point of fact, the school system has now adopted new rules that will eliminate residency fraud after the Board of Trustees allowed the regulations to remain on paper, unenforced for a full year. Nevertheless, I am grateful that the regulations have now been approved and ask only that an early date for purging nonpaying nonresidents be set and that an airtight system from barring nonpaying nonresidents be in effect by the time school opens in September 1998.

Leaving the count issue unresolved will frustrate efforts to get assistance for the District for even the best and most worthy efforts, such as funds for the 20,000 children who will attend year-round school this summer as the District of Columbia eliminates social promotion, or resources needed for the massive backlog of capital improvements that the school system must address. I am anxious to work with the appropriate officials to help speed the necessary reforms.

I thank the chairman for his interest in this important matter. I welcome today's witnesses, and I look forward to a fruitful exchange. Thank you, Mr. Chairman.

[The prepared statement of Hon. Eleanor Holmes-Norton follows:]

ELEANOR HOLMES NORTON
DISTRICT OF COLUMBIA

COMMITTEE ON
TRANSPORTATION AND
INFRASTRUCTURE

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PUBLIC BUILDINGS AND
ECONOMIC DEVELOPMENT

Congress of the United States
House of Representatives
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CIVIL SERVICE

CO-CHAIR
CONGRESSIONAL CAUCUS FOR
WOMEN'S ISSUES

STATEMENT OF CONGRESSWOMAN ELEANOR HOLMES NORTON AT A D.C. SUBCOMMITTEE OVERSIGHT HEARING ON THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS ENROLLMENT COUNT

March 13, 1998

I want to thank Chairman Tom Davis for holding this oversight hearing concerning the District of Columbia Public Schools enrollment count. As Tom knows, this issue has been a pet peeve of mine for two reasons: (1) it is an example of a longstanding, chronic problem that could have been easily fixed long ago, and (2) it is the kind of issue totally within the control of the city that is used against the District when I try to get additional money in the Congress. I do regret the necessity for this hearing. Although I supported an alternative to the wholesale eradication of the elected school board, I have not joined the detractors of the new officials. Quite the contrary. Just yesterday, in a hearing in a House Education Subcommittee, and later, on the House floor as well, I praised the District's new Chief Academic Officer, Arlene Ackerman, for her fast start, her no-nonsense, fresh approach, and her zeal for action over words to get things done. I can only say that I was thrilled at her testimony that next year our youngsters would read the equivalent of 25 books. In the face of such new and concrete efforts by Dr. Ackerman and by General Becton, it is unfortunate that a threshold issue such as a continually, inaccurate enrollment count is left year after year to feed the instinct of some Members of Congress to ignore what progress is being made.

Despite some continuing criticism by the General Accounting Office (GAO) of the way the District counts its students, GAO also indicates that some progress has been made in the school system's approach to the counting of students. Unfortunately, this problem has long been pursued with only one hypothesis rather than with alternative hypotheses to account for the enrollment figure, and even the GAO report overconcentrates on the most obvious one -- the mechanics of the count, giving too little attention to the possibility that the school system may have many freeloaders from suburban jurisdictions. The first hypothesis that the school system simply is unable to count, which would have left it in no position to teach children to do so is where we have been stuck. While there have been real problems in putting together a sound procedure for the count, the second explanation may also be important -- that the school system has been counting both residential students and nonpaying nonresidential students. After all, the population of the District has been tumbling badly since the late 1980s, and since 1990, has spiraled precipitously while we were asked to believe that the school population could remain stable and in some years actually increase.

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Although the GAO recommendations about how to perform a proper count are important, they are not my major interest, especially in light of the improvement underway that I believe will continue. I hope that the school system will give priority to quickly obtaining tuition from nonpaying, nonresidential parents, including billing them for past services, and returning such students to their home jurisdictions absent prompt payment. Many of the freeloading parents may be city employees, the great majority of whom do not live in the District, who may bring their children with them as a convenience to take advantage of some of our best school programs such as early childhood, our special high schools and others. If so, these are the same people who use other city services as well but get protection from commuter taxes. Some of them were driving home to suburban jurisdictions on our gas cards until Congress stepped in, and the recently enacted law, which allows no exceptions, still may not be fully enforced.

Further, we all must be alarmed by the GAO's finding that nearly 60% of DCPS students have either failed to provide residency verification forms or proof of residency. I can only hope that this does not mean that anything like this number are illegally entering the District to attend our public schools. However, the discrepancy between the declining population and the stable school population figures suggests the possibility of massive fraud. In years past, some even have alleged that some school officials deliberately failed to address these faulty numbers to keep budgets high. Current officials need to move quickly to solve the nonresidency problem to keep this alleged taint from traveling to them.

In point of fact, the school system has now adopted new rules that will help eliminate residency fraud after the Board of Trustees allowed the regulations to remain on paper unenforced for a year. Nevertheless, I am grateful that the regulations have been approved and now ask only that an early date for purging nonpaying nonresidents be set and that an airtight system for barring nonpaying nonresidents be in effect by the time school opens in September, 1998.

Leaving the count issue unresolved will frustrate efforts to get assistance for the District for even its best and most worthy efforts, such as funds for 20,000 children who will attend year-round school this summer as D.C. eliminates social promotion, or resources needed for the massive backlog of capital improvements that the school system must address. I am anxious to work with the appropriate officials to help speed the necessary reforms.

I thank the Chairman for his interest in this important matter, I welcome today's witnesses, and I look forward to a fruitful exchange.

Mr. DAVIS. Thank you very much, Ms. Norton. Mrs. Morella, do you have any statement?

Mrs. MORELLA. Yes, Mr. Chairman. I just want to thank you also for holding this important hearing on student enrollment in the D.C. public schools. As you mentioned in your opening statement, we face numerous issues in this subcommittee but few are as important as those related to the District of Columbia public school system. As a former educator, I have great concern about the children in our Nation's Capital and the quality of education in D.C. schools. The District ranks near the bottom of the Nation in both math and English test scores. The cumulative grade point average for 12th grade students is 1.5 on a 4.0 scale. How can we address the needs of the city's children if we cannot even determine how many children attend the District's public schools?

As Congress debates issues involving school reform, one proposal that is being seriously considered is how to reduce class size. It is essential that we know how many students comprise the D.C. public school system obviously. An accurate count of the number of students enrolled in the public schools is essential to determining the number of classrooms needed, the number of teachers needed, the number of administrators and support personnel needed.

Recently, I met with General Becton about matters affecting the D.C. public schools. At that meeting we discussed roof repairs as well as the student enrollment count. General Becton pointed out that recently, despite the heavy rains in the Washington area, not one school in the District was cited for leaks in its roofs and not one school was closed. That is an improvement worth noting. I congratulate everyone involved in school reform in the District for his hard work and the progress that has been made. Now we need to look within those roofs.

The General Accounting Office, represented here by Ms. Blanchette, released a report in response to a request by this subcommittee to examine the DCPS student enrollment count process for the 1996–97 school year. It points out that despite the fact that many of the recommendations of that report have been acted upon and the GAO has conducted a followup evaluation, many deficiencies continue to exist.

I look forward, Mr. Chairman, to the testimony of our expert panel here today as we work to make the District of Columbia school system a top educational institution and a model for the rest of the Nation.

Thank you.

[The prepared statement of Hon. Constance A. Morella follows:]

Statement of Congresswoman Constance A. Morella
Hearing on the District of Columbia Public Schools
Student Enrollment Count
Subcommittee on the District of Columbia
March 13, 1998

Mr. Chairman, I want to thank you for holding this important hearing on student enrollment in the D.C. Public Schools. As you mentioned in your opening statement, we face numerous issues in this subcommittee, but few are as important as those related to the D.C. Public School System.

As a former teacher, I have great concern about the children in our nation's Capital and the quality of education in the D.C. schools. The District ranks near the bottom of the nation in both Math and English test scores. The cumulative Grade Point Average for 12th grade students is 1.5 on a 4.0 scale. How can we address the needs of the City's children if we cannot even determine how many children attend the District's public schools?

As Congress debates issues involving school reform, one proposal that is being seriously considered is how to reduce class size. It is essential that we know how many students comprise the D.C. Public School System. An accurate account of the number of students enrolled in the D.C. Public Schools is essential to determining the number of classrooms needed, the number of teachers, and the number of administrators and support personnel.

Recently, I met with General Becton about matters affecting the D.C. public schools. At that meeting, we discussed roof repairs as well as the student enrollment count. General Becton pointed out that recently, despite the heavy rains in the Washington area, not one school in the District was cited for leaks in their roofs and not one school was closed. That is an improvement worth noting, and I congratulate everyone involved in school reform in the District for their hard work and the progress that has been made.

~~It is my understanding that the~~ Ms Blanchette U.S. General Accounting Office released a report, in response to a request by this Subcommittee, to examine the DCPS student enrollment count process for the 1996-1997 school year. ~~It is also my understanding that,~~ she points out that despite the fact that many of the recommendations of that report have been acted upon, and the GAO conducted a follow-up evaluation, many deficiencies still exist.

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I look forward to the testimony of our expert panel today, as we work to make the D.C. School System a top educational institution and a model for the rest of the nation.

Mr. DAVIS. Mrs. Morella, thank you very much. I now call our first panel to testify. I see they are in place. Ms. Cornelia M. Blanchette, the Associate Director, GAO; George Grier, principal of the Grier Partnership; Gen. Julius Becton, CEO of the D.C. public schools; and Mr. Richard Wenning, the director of Educational Accountability from the D.C. public schools. As all of you know it is the policy of this committee that all witnesses be sworn before they may testify. If you would rise with me and raise your right hands.

[Witnesses sworn.]

Mr. DAVIS. I ask unanimous consent that any written statements that you have are made part of the permanent record. If you could limit your remarks to 5 minutes and try to highlight what is in your written statements. The committee members and their staffs have read your statements and will have questions. If you want to highlight certain things I want to give you that opportunity. The green light is your first 4 minutes, the yellow light is your 5th minute giving you 1 minute to sum up. When the red light comes on your time has expired. If you think you have to keep going, try to sum up as quickly as possible. That will give us more time for questions. I would ask unanimous consent any written statement be made part of the permanent record.

Why don't we start with Ms. Blanchette.

STATEMENTS OF CORNELIA M. BLANCHETTE, ASSOCIATE DIRECTOR, EDUCATION AND EMPLOYMENT ISSUES, HEALTH EDUCATION AND HUMAN SERVICES DIVISION, U.S. GENERAL ACCOUNTING OFFICE; GEORGE GRIER, PRINCIPAL, THE GRIER PARTNERSHIP; GEN. JULIUS W. BECTON, CHIEF EXECUTIVE OFFICER AND SUPERINTENDENT, DISTRICT OF COLUMBIA PUBLIC SCHOOLS; AND RICHARD WENNING, DIRECTOR, DEPARTMENT OF EDUCATIONAL ACCOUNTABILITY, DISTRICT OF COLUMBIA PUBLIC SCHOOLS

Ms. BLANCHETTE. Good afternoon, Mr. Chairman and members of the subcommittee. I am pleased to be here today to assist the subcommittee in its oversight of the District of Columbia public schools enrollment count. This afternoon I will discuss the findings and recommendations from our August 1997 report and actions that have been reported to us by the District of Columbia public schools as having taken place as a result of our findings and recommendations.

In doing the work that led to the 1997 report, we interviewed and reviewed documents obtained from DCPS administrative staff, city officials, officials in other urban school districts and their State departments of education, officials in the U.S. Department of Education, and education experts. We also visited 15 DCPS elementary and secondary schools that represent schools in each of the 4 wards, or 4 sectors of the city, and schools at the elementary, middle, junior, and senior high school levels. In visiting those schools we interviewed principals, school administrative staff, and teachers and reviewed selected documents. For this followup, we conducted interviews with the director of Educational Accountability, Mr. Wenning, who is part of this panel, and we reviewed various documents that he gave us. We did not, however, visit schools or look at records at the school level as we did for our 1997 report.

In summary, as we reported in August 1997, in spite of changes in the enrollment count process that were made in response to numerous criticisms, the 1996–97 school year count process, which was the focus of that August report, remained flawed in several respects. Although changes have been made, and I will go over some of those in a few minutes, although changes were made as a result of our work and the findings that we pointed out, we believe that larger systemic issues remain mostly uncorrected and that therefore fundamental weaknesses still remain in the enrollment count process, making it vulnerable to inaccuracy and weakening its credibility.

In August 1997, we reported on what we considered the 3 critical areas to arrive at an accurate school count, enrollment, residency verification, and pupil accounting. The first two, enrollment and residency verification, are the key areas that decide which students get counted. Let me point out when we talk about a student count we are not talking about a physical count. What we are talking about is in essence a count of enrollment records. We took issue in 1997 with the use of the enrollment card, which was at that time the system's way of establishing attendance. In order for a student to be counted, the student had to appear in a school for at least 1 of the first 10 school days. We found that card to be burdensome. We recognized that it was initiated in response to prior criticisms, but we didn't believe that it had solved really any of the problems and had created a good deal of work for teachers, particularly for students that were young, disabled, or non-English speaking. We found that there were multiple enrollment records on a single student, that that situation had resulted from numerous factors, including the fact that data entry clerks in school could override system safeguards to prevent duplication, that central management information services staff even having detected duplication were not authorized to make changes but had to work with school personnel to get any changes made, and in the District of Columbia, as you know, there is unlimited out of boundary student enrollment. That is the District's version of school choice. We certainly do not take issue with that, but because of that it makes it easier for a student to appear in more than one school, be considered in attendance legitimately under the current situation as having attended each school, and be counted numerous times, or at least more than once.

We also found that there were certain groups of students that are normally excluded from a pupil enrollment count when the count is being used for funding purposes. These students were included in the District of Columbia. These include tuition paying nonresidents, students above or below the mandatory age for school attendance, and certain other students who had not proved their residency. We know that for the current school count a number of changes were made. There is no longer an enrollment card. The school system uses other means of establishing attendance. There are now monthly duplicate record checks by the central office staff, who work with schools to resolve those errors, but now the central office staff can make entries in the system and solve the errors directly. Schools also prepare monthly enrollment records, signed by the principal, that are reviewed and tracked by the central office staff, as we have been told, and that there is now a residency verification status field in the student information system.

However, we still have concerns. The unlimited out of boundary enrollment situation still exists. Data entry clerks at the school level can still override the information system. We believe that the residence verification field that has been entered and seems to be relied upon a great deal as being evidence that the system has improved doesn't really eliminate duplication. As we state in our testimony, there are numerous students that are early childhood, below the mandatory age that have been counted. We found numerous problems with the residency verification in 1997. We really don't believe that the fundamental problem with residency verification has been eliminated. In fact, now there is no monitoring, there has not been any audits of the student verification records, and as we reported in our testimony, over half of the students have not presented proofs of residency beyond, in some cases, a form signed by parents or guardians. In terms of the pupil accounting system itself, there really haven't been very fundamental changes.

So, to conclude, we recognize that changes have been made, we applaud the school system for those changes, but we still have concerns about the process, and of course concerns about the process lead to concerns about the accuracy of the count.

[The prepared statement of Ms. Blanchette follows:]

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to assist the Subcommittee in its oversight of the District of Columbia Public Schools' (DCPS) enrollment count. An accurate count of the number of enrolled students is the cornerstone of a school district's financial needs assessment. Although in the past, DCPS did not receive funds on the basis of the number of students enrolled, new budget initiatives will soon directly link DCPS' funding to school enrollment. Even now, the number of enrolled students is an important factor in developing DCPS' budget and distributing its funds. Consequently, a valid enrollment count process and an accurate count are critical for DCPS' district- and school-level planning, staffing, funding, and resource allocation.

Today, I will discuss our recent report[1] on the enrollment count process that DCPS used in school year 1996-97 and actions DCPS officials report they have taken in response to our recommendations. Our report was prepared at your request and was in response to criticisms raised in the past several years about the accuracy of DCPS' enrollment count. Specifically, you asked us to examine DCPS' 1996-97 enrollment count process to determine whether the process appeared sufficient to produce an accurate count. Subsequently, for this hearing, you asked us to follow up with DCPS regarding any actions taken in response to our recommendations.

Our report on DCPS' 1996-97 enrollment count process is based on interviews with and documents obtained from DCPS administrative staff, city officials, officials in other urban school districts and their state departments of education, officials in the U.S. Department of Education, and education experts. We also visited 15 DCPS elementary and secondary schools, randomly selected according to school level and city quadrant. During our school visits, we interviewed principals, school administrative staff, and teachers and reviewed selected documents. To follow up with DCPS regarding actions taken in response to our recommendations, we interviewed DCPS' Director of Educational Accountability, who is the DCPS official responsible for the 1997-98 enrollment count and reviewed various documents he provided to us. It is noteworthy that we neither visited DCPS schools, talked with teachers and principals, nor reviewed documents at the school level for our follow-up as we did for our report.

RESULTS IN BRIEF

As we reported in August 1997, in spite of some changes in DCPS' enrollment count process in response to criticisms, the 1996-97 count process remained flawed in several respects. For example, the Student Information System (SIS) continued to have errors, such as multiple enrollment records for a single student and weaknesses in the system's ability to track students. In addition, verification of student residency remained problematic. On the basis of the flaws we identified in the 1996-97 process, we made several recommendations to DCPS.

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[1] District of Columbia Public Schools: Student Enrollment Count Remains Vulnerable to Errors (GAO/HEHS-97-161, Aug. 21, 1997).

Although DCPS made some changes in its enrollment count process for the 1997-98 school year in response to our recommendations and plans to make more, the larger systemic issues appear to remain mostly uncorrected. Consequently, fundamental weaknesses still remain in the enrollment count process, making it vulnerable to inaccuracy and weakening its credibility. For example, DCPS staff report that although an important internal control–duplicate record checks–has been implemented for SIS, additional internal controls are still lacking. Several DCPS enrollment and pupil accounting procedures continue to increase the possibility of multiple enrollment records for a single student. We are concerned that duplicate record checks alone may not be sufficient to protect the integrity of SIS, given the many possibilities for error.

Furthermore, the enrollment count may still include nonresident students. More than half (56 percent) of DCPS' students have either failed to provide the residency verification forms or have provided no proofs of residency (for example, copies of deeds, rental leases, utility bills, or vehicle registrations, among others) to accompany their forms. We question the appropriateness of including students who have failed to prove residency in the official count, particularly students who have not even provided the basic form. In addition, because DCPS has not yet monitored and audited residency verification at the school level, additional problems may exist that are not yet apparent. Proposed new rules governing residency will help DCPS deal with residency issues. Until these issues are fully addressed and resolved, however, the accuracy and credibility of the enrollment count will remain questionable.

In our more recent discussions with DCPS officials, they acknowledge that more needs to be done to improve the enrollment count process, particularly in the areas of further strengthening DCPS' automated internal controls and addressing the nonresident issue. They have expressed concern, however, that we have failed to recognize fully the improvements DCPS made in the enrollment count process for school year 1997-98. We have recognized DCPS' progress but nevertheless remain concerned about fundamental systemic weaknesses.

DCPS' ENROLLMENT COUNT PROCESS IN SCHOOL YEAR 1996-97

We reported that even though DCPS changed parts of its enrollment process in school year 1996-97 to address prior criticisms, the process remained flawed. Some of the changes, such as the use of an enrollment card to verify attendance, increased complexity and work effort but did little to improve the count's credibility. Because DCPS counts enrollment by counting enrollment records–not actual students–accurate records are critical for an accurate count. Errors, including multiple enrollment records for a single student, remained in SIS, but DCPS had only limited mechanisms for correcting these errors. For example, although Management Information Services personnel maintained SIS, they had no authority to correct errors. In addition, DCPS' enrollment procedures allowed multiple records to be entered into SIS for a single student, and its student transfer process may have allowed a single student to be enrolled in at least two schools simultaneously. Furthermore, DCPS' practice of allowing principals to enroll unlimited out-of-boundary students increased the possibility of multiple enrollment records for one student. Nevertheless, DCPS did not routinely check for duplicate records.

In addition, DCPS' official enrollment count included categories of students usually excluded from enrollment counts in other districts when the counts are used for funding purposes. For example, DCPS included in its enrollment count students identified as tuition-paying nonresidents of the District of Columbia and students above and below the mandatory age for public education in the District of Columbia, including Head Start participants,[2] prekindergarten students (age 4), preschool students (age 0 to 3), and some senior high and special education students aged 20 and older.[3] In contrast, the three states that we visited reported that they exclude from enrollment counts used for funding purposes any student who is above or below mandatory school age or who is fully funded from other sources. Furthermore, even though the District of Columbia Auditor has suggested that students unable to document their residency be excluded from the official enrollment count, whether they pay tuition or not, DCPS included these students in its enrollment count for school year 1996-97.

During school year 1996-97, District of Columbia schools had some attractive features. Elementary schools in the District had free all-day prekindergarten and kindergarten, and some elementary schools had before- and after-school programs at low cost. For example, one school we visited had before- and after-school care for $25 per week. This program extended the school day's hours to accommodate working parents--the program began at 7 a.m. and ended at 6 p.m. In addition, several high schools had highly regarded academic and artistic programs; and some high schools had athletic programs that reportedly attracted scouts from highly rated colleges. Furthermore, students could participate in competitive athletic programs until age 19 in the District, compared with age 18 in some nearby jurisdictions.

Problems persisted, however, in the critical area of residency verification. In school year 1996-97, schools did not always verify student residency as required by DCPS' own procedures. Proofs of residency, when actually obtained, often fell short of DCPS' standards. Moreover, central office staff did not consistently track failures to verify residency. Finally, school staff and parents rarely suffered sanctions for failure to comply with the residency verification requirements.

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[2] Head Start has its own funding source.

[3] The District of Columbia School Reform Act of 1995 requires separate reporting of some of these groups but does not require that they be included in aggregate counts.

In addition, the pupil accounting system failed to adequately track students. SIS allowed more than one school to count a single student when the student transferred from one school to another. Furthermore, schools did not always follow attendance rules, and SIS lacked the capability to track implementation of the rules. Finally, some attendance rules, if implemented, could have allowed counting of nonattending students.

Other school districts report that they use several approaches to control errors, such as the ones we identified, and to improve the accuracy of their enrollment counts. These include using centralized enrollment and pupil accounting centers and a variety of automated SIS edits and procedures designed to prevent or disallow pupil accounting errors before they occur.

Finally, the District of Columbia School Reform Act of 1995 imposed enrollment count reporting and audit requirements. The act requires the enrollment count process to produce an enrollment count that includes the number of special needs and nonresident students by grade level and the amount of tuition assessed and collected. The official enrollment count report released for school year 1996-97 did not provide this information. The act also requires the District of Columbia Financial Responsibility and Management Assistance Authority to provide for an independent audit of the enrollment count. The Authority decided, however, that the inadequacies that led to the restructuring of the public school system would make auditing the school year 1996-97 count counterproductive. In short, the Reform Act's audit requirement was not met.

Because the enrollment count will become the basis for funding DCPS and is even now an important factor in developing DCPS' budget and allocating its resources, we recommended in our report that the Congress consider directing DCPS to report separately in its annual reporting of the enrollment count those students

- fully funded from other sources, such as Head Start participants and tuition-paying nonresidents;
- above and below the mandatory age for compulsory public education, such as those in prekindergarten or those aged 20 and above; and
- for whom District residency cannot be confirmed.

We also recommended that the DCPS Chief Executive Officer/Superintendent do the following:

- Clarify, document, and enforce the responsibilities and sanctions for employees involved in the enrollment count process.

- Clarify, document, and enforce the residency verification requirements for students and their parents.

- Institute internal controls in the student information database, including database management practices and automatic procedures and edits to control database errors.

- Comply with the reporting requirement of the District of Columbia School Reform Act of 1995.

We further recommended that the District of Columbia Financial Responsibility and Management Assistance Authority comply with the auditing requirements of the District of Columbia School Reform Act of 1995.

In commenting on a draft of our report, DCPS' Chief Executive Officer/ Superintendent stated that DCPS concurred with our major findings and recommendations and would correct the identified weaknesses. He also acknowledged that the enrollment numbers for school year 1996-97 are subject to question for the reasons we cited–especially because the enrollment count credibility hinged almost entirely on the written verification provided by local administrators. He said that no substantial checks and balances, no aggressive central monitoring, and few routine reports were in place. In addition, he said that virtually no administrative sanctions were applied, indicating that the submitted reports were hardly reviewed.

The Authority shared DCPS' view that many findings and recommendations in our report will help to correct what it characterized as a flawed student enrollment count process. Its comments did, however, express concerns about certain aspects of our report. The Authority was concerned that we did not discuss the effects of the Authority's overhaul of DCPS in November 1996.[4] It also commented that our report did not note that the flawed student count was one of the issues prompting the Authority to change the governance structure and management of DCPS. In the report, we explained that we did not review the Authority's overhaul of DCPS or the events and concerns leading to the overhaul.

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[4] For many years, DCPS had been governed by an elected Board of Education. In Nov. 1996, the specially appointed Authority declared a state of emergency in DCPS and transferred DCPS management–until June 30, 2000–to the Authority's agents, a nine-member specially appointed Emergency Transitional Education Board of Trustees. The Authority also replaced DCPS' superintendent with a Chief Executive Officer/ Superintendent.

REPORTED RESPONSES TO OUR RECOMMENDATIONS

DCPS has made some changes in response to our recommendations. For example, it dropped the enrollment card. DCPS now relies upon other, more readily collected information, such as a child's grades or work, as proof that a child has been attending. DCPS has also strengthened some mechanisms for correcting SIS errors, such as multiple enrollment records for a single student. Staff reported that central office staff now conduct monthly duplicate record checks. These staff then work with the schools to resolve errors. In addition, central office staff now have the authority to correct SIS errors directly. Schools are also now required to prepare monthly enrollment reports, signed by the principal, throughout the school year. Central office staff review and track these reports. In addition, SIS can now track consecutive days of absence for students, which helps track the implementation of attendance rules. Finally, all principals are now required to enter into SIS the residency status of all continuing as well as new DCPS students. DCPS officials believe SIS' residency verification status field also serves as a safeguard against including both duplicate records and inactive students in the enrollment count.

Nonetheless, some DCPS policies and practices that increase the possibility of multiple records and other SIS errors have not changed. For example, DCPS continues allowing schools to enroll, without restriction, students who live outside school attendance boundaries. School data entry staff may still manually override SIS safeguards against creating multiple records. In addition, SIS still lacks adequate safeguards to ensure that it accurately tracks students when they transfer from one school to another. SIS' new residency verification status field will not prevent the creation or maintenance of duplicate records. For example, a student might enroll in one school, filling out all necessary forms required by that school, including the residency verification form, and decide a few days later to switch to another school. Rather than officially transferring, the student might simply go to this second school and re-register, submitting another residency verification form as part of the routine registration paperwork. If the second school's data entry staff choose to manually override SIS safeguards, duplicate records could be created. Even if a student did not submit a residency verification form at the second school, the data entry staff could simply code the SIS residency field to show that no form had been returned, creating duplicate records.

Regarding the critical area of residency verification, all principals must now issue and collect from all students a completed and signed residency verification form (as well as enter residency verification status information into SIS as discussed). Principals are also encouraged to obtain proofs of residency and attach these to the forms. DCPS considers the form alone, however, the only required proof of residency for the 1997-98 count. The school district encouraged but not did not require such supporting proofs to accompany this form. A signed form without proofs of residency is insufficient to prove residency in our opinion. Such proofs are necessary to establish that residency requirements have been met. Until DCPS students are required to provide substantial proofs of residency, doubts about this issue will remain.

To illustrate this point, DCPS states that 83 percent of its officially enrolled students have provided signed residency verification forms and therefore have provided certification of residency. DCPS staff, however, told us that only 33,852 (44 percent) of the 77,111 students included in the official 1997-98 count have provided both completed residency verification forms and accompanying proofs of residency. Another 30,337 (39 percent) have provided completed forms but no accompanying proofs, and 12,878 (17 percent) have provided no completed forms. In other words, more than half (56 percent) of DCPS' students have either failed to provide basic residency forms or have provided no proofs of residency to accompany their forms. (DCPS believes that our characterization of this situation is misleading and that the great majority of its students have provided proof of residency.) Furthermore, DCPS staff told us that the school district has not yet monitored and audited the schools' residency records but plans to do so shortly.

DCPS has proposed modifications to the Board of Education's rules governing residency to strengthen these rules. The proposed modifications would strengthen the residency rules in several ways by stating that at least three proofs of residency "must" be submitted, rather than "may be" submitted, as current rules state; specifying and limiting documents acceptable as proofs; eliminating membership in a church or other local organization operating in the District of Columbia as an acceptable proof; and strengthening penalties for students who do not comply. DCPS staff told us that these proposed changes are now under consideration by the Authority.

Regarding to our recommendation that the Congress consider directing DCPS to report separately the enrollment counts of certain groups of students, the Congress has not yet required that DCPS do this. DCPS continues to include these groups in its enrollment count. For school year 1997-98, DCPS reports an official count of 77,111 students.[5] This number includes 5,156 preschool and prekindergarten students who are below mandatory school age in the District of Columbia. Some of these students are Head Start participants and are paid for by Head Start; nevertheless, DCPS counts Head Start participants as part of its elementary school population. The count also includes 18 tuition-paying nonresident students attending DCPS. In addition, DCPS staff told us that although the count excludes adult education students, they did not know whether it includes other students above the mandatory school age. Finally, as noted earlier, the count includes students who have not completed residency verification.

In addition to talking to DCPS staff, we talked to staff at the Authority about whether the Authority has provided for an independent audit of the 1997-98 enrollment count. Staff said that the Authority is in the process of providing for an audit but has not yet awarded a contract.

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[5] DCPS School Year 1997-98 Official Membership, Oct. 30, 1997.

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Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions you or members of the Subcommittee may have.

(104919)

Mr. DAVIS. Thank you very much.

George Grier.

Mr. GRIER. I am a principal in the Grier Partnership, which is a statistical consulting firm that works with school systems, among other clients. In that capacity back in 1995 we were asked to help develop a plan for improving and maintaining school facilities so that they would serve into the next century. That plan had been requested by Dr. Franklin Smith, who was superintendent at that time.

Whenever we start working with a new school system client, we first review the basic data on the students themselves, whatever we can find out, the system's own enrollment figures, census data on the child population, et cetera. When we did this for the District we found a startling discrepancy. The D.C. public schools were reporting an enrollment of 80,694 to the National Center for Education Statistics in the fall of 1990, while the Census Bureau had found only 67,278 students enrolled in public, elementary and high schools in the spring of the same year, a big discrepancy there.

I could use my first slide now, please, if you would, Anne.

We compared that discrepancy to other cities. We found out that there was a huge difference. It was 20.6 percent for the District and in no other school system in the 10 major systems with large minority populations was there any more than an 8.8 percent discrepancy. That was Atlanta. All the rest were considerably less than that. The average discrepancy was 2.5 percent. The District's was 20.6 percent.

Mr. DAVIS. Could I ask, what does the negative mean?

Mr. GRIER. I'm sorry?

Mr. DAVIS. The minus 0.03 percent and minus 3.6 percent?

Mr. GRIER. The positive means that the schools have more students reported than the census does. Negative means that they have fewer.

Mr. DAVIS. An undercount, OK.

Mr. GRIER. Some of them actually come out fewer.

There are some technical questions here as to what that means. I won't go over those. I think Delegate Norton and Congresswoman Morella did a great job of stating some of the problems and questions that are raised. The fact that most of the differences between the school system and census figures were positive suggest the Census Bureau may have undercounted, and the census does tend to undercount minorities and that has been raised as a possible reason for the District's problem. But in all but Atlanta these discrepancies were so much smaller than the District that we have to conclude that it couldn't possibly have been a result of any significant degree of census undercounting. Otherwise, it would show up in other places, too.

A lot of figures have changed since 1990, a lot of change has taken place in the District. My second slide shows what has happened to the total population and the school population. The solid line shows the total population as shown by the census, and the dotted line shows the school population as reported by the schools. The sharp drop close to the beginning of that curve is due to the fact that the schools were found to have over stated their enrollments, a big hullabaloo resulted and they reduced their enrollments accordingly. But then it leveled out. Since then it has hardly changed at all. We have a situation where the population in the District has dropped by about 78,000 or almost 13 percent in the past 7 years, since 1990. The school system has dropped by only 3,600 students or 4.5 percent, only about a third as much. On the face of it this could suggest several things. Either that the official enrollments are still significantly in error, that the problems haven't been cleaned up, or that births have been going up, which is not so. Births have been going down. They have been going down much faster than the population has been going down; births have plummeted by 23 percent while the population went down by 13. Or it might mean that the great majority of children have somehow remained in the District while their parents have been migrating to the suburbs. That sounds crazy but something like it could be occurring, at least to some degree; that is, that parents are, as has been suggested, driving their kids to the District every day, leaving them at school. There are great early childhood programs here, great day care programs in the schools so they leave them there, pick them up at night, or leave them with grandparents.

Anyway, we looked at the change in the reported preprimary enrollments and first through third grade enrollments. Those are the years where you would expect that to be most likely because it probably relates to child care needs. Well, there was an increase of about 14 percent in preprimary enrollments; that is only about 1,500 kids. Enrollments in first through third grades increased by about 688, and the total is about 2,200. If enrollments have tracked population fairly closely since 1990, it will have decreased by around 13 percent or roughly 10,500. We don't think that more than a small part of the drop can be made up by the increase in preprimary enrollments in these school programs.

The third slide shows what we did to try to check on what was going on in Prince Georges. If Prince Georges was exporting a lot of kids to the District schools every morning, you would expect it would have a negative discrepancy, because it would be reporting fewer kids than it had in its population. In fact the reverse is true, it has a positive discrepancy like every other suburb. So we don't think a lot of kids, a huge number, can be coming in from Prince Georges. Undoubtedly there are a few. How many, we really don't know. It won't be known until considerable further work is done.

I have sometimes been quoted as saying that the correct enrollment of the D.C. public schools is somewhere around 67,000. I haven't said that. I'm not saying anything today about what the numbers are. Frankly, I don't know how many kids the District has now in its schools. I don't think anybody knows. The discrepancies, however, are so great you have to believe that there has to be some reason and that possibly the enrollment is not even close to the current official figure.

It is not impossible for a large city school system to collect accurate enrollment numbers. My firm prepares the annual enrollment projections for the New York City public schools. In New York City, a million pupil school system, our projections have generally proved accurate within less than 1 student in 1,000, an error of less than 1 student in 1,000 on a 1-year basis. We use pretty sophisticated methods, but we cannot do that well without good school data. The

New York City schools work very hard to get good data. Their discrepancy was the second lowest among the major cities, only 1.2 percent.

I haven't accused anyone in the District of cheating and I won't, but we have to accept that all human beings are fallible. With all the care that New York City puts into counting their students, they found out this year that one large high school in New York had very significant padding of their enrollments. When they did, they did something interesting, I wonder whether that would happen in the District. They removed the principal from her job immediately, assigned her to the chancellor's office, she is the "super-superintendent," and are preparing a lawsuit against her. They want to put her in jail. This is fraud. They want to make sure that the public knows about it and all the teachers know about it. So they got it put in the newspaper. I read about it in the New York Times. This is a school system that understands that miscounted enrollments can mean big bucks. And if you don't get them accurate, you are costing far more money than it would cost to do it right. It is costing you an uncounted amount of money because you are paying for things you don't need to pay for, too many empty buildings, too many underutilized teachers.

[The prepared statement of Mr. Grier follows:]

TESTIMONY OF GEORGE GRIER
PRINCIPAL, THE GRIER PARTNERSHIP
BEFORE THE HOUSE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
DISTRICT OF COLUMBIA SUBCOMMITTEE
March 13, 1998

My name is George Grier, and I am a principal in The Grier Partnership, a firm that since its founding in 1976 has provided specialized demographic consulting services to many clients in both the public and private sectors. Our services include, among others, projecting future needs for services such as education, and developing state-of-the-art data systems to help school systems to plan more effectively to meet their future needs for facilities and staff.

It was in this capacity that we were asked to help the District of Columbia Public Schools in 1995. The 21st Century School Fund, a private non-profit organization dedicated to improving the D.C. schools and supported in part by funds from the Ford Foundation, approached us to project future public school enrollments in the District of Columbia as a basis for a plan to upgrade the District's school facilities to serve the needs of the coming century. The plan had been requested by Dr. Franklin Smith, who was Superintendent of the D.C. Schools at that time.

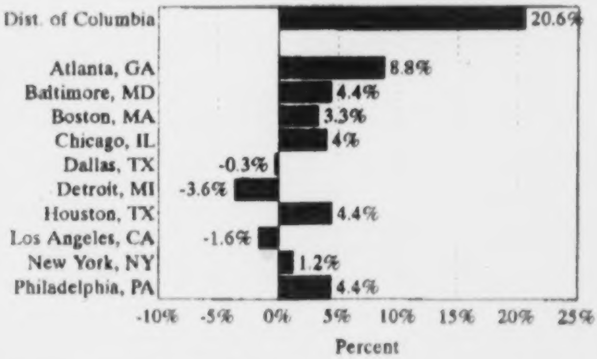
When we start working with a new school system client, we first review the basic data on the student population of that school district -- including both the system's own enrollment figures and Census data on the child population living in the district. In doing so, we soon found a startling discrepancy. The D.C. Public Schools reported an enrollment of 80,694 to the National Center for Education Statistics in fall of 1990, while the Census Bureau had found only 67,278 students enrolled in public elementary and high schools in spring of the same year.

Census and school system figures seldom if ever agree exactly. One reason is that they are taken at somewhat different times. But they are usually pretty close, typically no more than a handful of percentage points apart. In the District of Columbia, however, we found that the Public Schools reported 20.6 percent *more* students enrolled than did the Census Bureau.

We then compared this to the Census and School System figures for ten other major cities. They were Atlanta, Baltimore, Boston, Chicago, Dallas, Detroit, Houston, Los Angeles, New York, and Philadelphia. In all except Atlanta, the discrepancies were below five percent. In Atlanta it was 8.8 percent. The average of all these discrepancies (excluding D.C.) was 2.5 percent. Seven of the ten were positive (i.e., the school systems counted more pupils than the Census). The chart on the following page displays this comparison.

Discrepancy Between Public School Enrollments as Reported by School Systems to NCES and by 1990 Census of Population

Major Central Cities of United States



Source: National Center for Education Statistics

The Grier Partnership

Part of the discrepancy in the District, but only part, may result from misclassified enrollment numbers. The Census Bureau figures for all the cities are for elementary and high school. They exclude what the Bureau calls "preprimary school," which includes kindergarten, pre-kindergarten, and pre-school or nursery school. The District, much to its credit, has one of the most comprehensive early childhood education programs of any major city and is nationally recognized as a leader in this field. All-day child care is included, making the program especially helpful to working parents of low to moderate income. The children enrolled in this program were, however, reported as part of the elementary enrollment in the figures assembled by the National Center for Education Statistics.

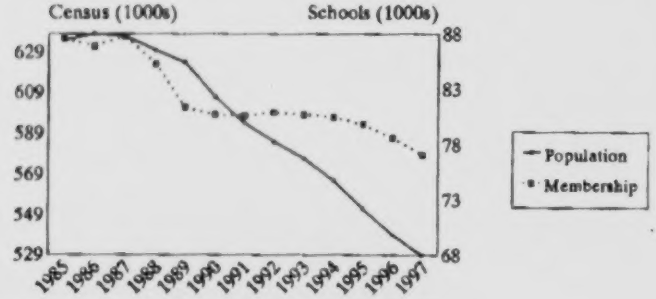
The Census Bureau counted 5,532 students in the preprimary categories in spring of 1990, while the D.C. Public Schools reported 10,611 (558 in pre-school, 3,646 in pre-kindergarten, and 6,407 in kindergarten) in fall of the same year. It is possible that the school system may have incorrectly reported these children to the federal government as enrolled in the elementary grades rather than in the preprimary grades. It is also possible that the federal agency classified them incorrectly. If this were to happen often, however, large discrepancies would result in many more cities than we found.

In any event, if we add the 5,532 preprimary students reported by the Census to the 67,278 enrollment in elementary and high school stated earlier, we get 72,810 – leaving a gap of 7,884 or nearly 11 percent still unaccounted for. This is still much larger than the 2 5 percent average for the other ten cities. Only one of these cities, Atlanta, is even in the ballpark.

The fact that most of the differences between the school system and Census figures were positive suggested that undercounting by the Census Bureau might have played some role in these differences. The Census does tend to undercount minorities, and all of the ten comparison cities have large minority populations. But the differences in all but Atlanta were so much smaller than in the District that we consider it highly unlikely that undercounting is a major source of the discrepancy here.

All the figures I've been discussing so far are for 1990, and a lot of change has taken place since. We next examined whether and to what degree the downward trend in the District's population -- a trend that began decades ago but has accelerated since 1990 – had been reflected in the school system's official membership, more commonly called enrollments. The chart shows the trends in population and enrollments between 1985 and 1997. I've scaled the two sets of figures differently to make it easy to compare the two trends.

Trends in Total Population (Census Bureau)
and School Membership (Schools)
District of Columbia, 1985-1997



Population	635	638	637	630	624	607	594	585	577	566	552	539	529
Membership	87.6	86.9	87.8	85.3	81.3	80.7	80.6	80.9	80.7	80.5	79.8	78.6	77.1

The Grier Partnership

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Enrollments would not be expected to track population changes perfectly, because families with children account for only part of these changes. But enrollments normally reflect the population trend to a visible degree. Here there appears to be little relationship between the two -- at least after 1989. In that year school officials at first learned of sharp declines in enrollments, exceeding 15 percent at many schools. These declines were not revealed until after the school system's budget was submitted, but became public early in 1990. The resulting uproar caused a downward revision of the official figures, and they appear to have tracked population fairly closely from 1985 through 1989.

The enrollment curve then leveled out and remained virtually unchanged from 1990 through 1994, with a decline of only 200 students or a tiny fraction of one percent in that entire period. Meanwhile the District's population declined by nearly seven percent. Starting in 1995, the official numbers began to decline slowly as school officials identified and corrected various errors in the procedures for counting and recording students. By fall of 1997 they were down to 77,111. That's a decrease of 3,600 students or 4.5 percent since 1990. In the same seven years the District's population as estimated by the Census Bureau dropped by 78,000 or almost 13 percent.

On the face of it, this would suggest either (1) that the official enrollments are still significantly in error, (2) that births have been going up (since 1991 they've been dropping even faster than the population) or (3) that the great majority of children have somehow remained in the District while their parents have been migrating by the thousands to the suburbs. This last sounds crazy, but something a bit like it could be going on.

School officials believe that a large part of the gap results from parents who live in nearby jurisdictions (and particularly Prince George's County, MD), and who drive their children into the city, or leave them for the day with grandparents, in order to take advantage of the high-quality early childhood education, coupled with all-day supervised care, that is available here.

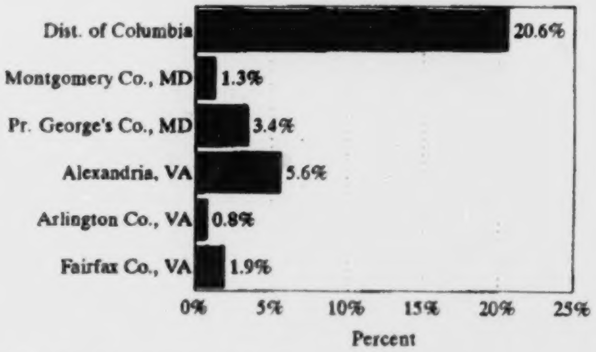
If so, then the impact should be felt largely in the preprimary grades, and perhaps also in the early elementary grades. In fact, there has been an increase of 1,527 or about 14 percent in reported preprimary enrollments since 1990, while enrollments in first through third grades have increased by 688 or about three percent. The total for pre-school to grade 3 is 2,215. If enrollments have tracked population fairly closely since 1990, they will have decreased by around 13 percent or roughly 10,500 students. Increasing enrollments in early childhood programs would offset only a small fraction.

But District residents would not be well served if all or most of the additional students had come from outside the city, and were not the result of increasing popularity of the early childhood programs with parents in the District itself. There is little reason to doubt that some have been suburbanites, but the school system has not been very successful in identifying many of these to date. In school year 1994-1995 only 80 students were excluded for this reason.

How many suburbanites there may actually be is put in question by another set of numbers. We compared the discrepancy between enrollments in 1990 as reported by the D.C. Public Schools and by the 1990 Census with those for the nearby suburbs. The results are shown in the next chart.

Discrepancy Between Public School Enrollments as Reported by School Systems to NCES and by 1990 Census

Major Jurisdictions of Metropolitan Washington



Source: National Center for Education Statistics

The Grier Partnership

All of the suburban discrepancies were positive for school enrollments, which could be partly due to Census undercounting in some suburbs, but probably is due mainly to growth. The discrepancy in Prince George's County is of particular interest. It is plus 3.4 percent, and is the second largest suburban gap. If a significant percentage of Prince George's County children of school age were in fact going to school in the District, then wouldn't this percentage be smaller or even negative?

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I have sometimes been quoted as saying that the correct enrollment of the D.C. Public Schools is somewhere around 67,000. I have not said that. By the same token, after this testimony I might be quoted as saying that the enrollment change since 1990 was minus 13 percent, or a loss of about 10,500 students, rather than 3,600. I haven't said that either. I do not know what the correct enrollment of the D.C. Public Schools is at this point, and I do not believe anyone else does either. It is highly unlikely, though, that the actual enrollment is even close to the current official figure. The discrepancies are simply too great.

We had to tell Dr. Franklin Smith, who was Superintendent of Schools at the time we found these discrepancies, that lacking better enrollment numbers than his staff could provide we could make only the most tentative projections of his future enrollments; and that, quite frankly, they wouldn't be worth the paper they were printed on. He made some efforts to straighten things out, but they didn't solve the problems, and three years later not much has changed. So at this point in time we still could not produce projections that we considered reliable.

I do not know all of the reasons for whatever differences may eventually be found between the current counts and the numbers that will eventually emerge, but many of them have to do with inadequate procedures. The GAO study deals with this topic, and Ms. Blanchette can speak to it much more effectively than I. But I would like to note that these problems are far from new.

As long ago as 1990, after a scandal about the failure to reveal changes in the enrollments, the accounting firm of Deloitte and Touche performed a management audit of the D.C. schools. They had intended to do so by drawing a random sample from existing computer tapes that they had been told contained detailed enrollment information for several past years. They found that the tapes were not accurate enough to serve this purpose. When they asked to have hard copies instead, they found that these were virtually non-existent except for the most recent year. The computerized student information management system (SIMS) was found to be seriously deficient. The report identified numerous procedural inadequacies. Five years later, I ran into most of these same problems. As far as I know, most are still there. Mr. Wenning has made some useful changes, but the basic procedures are still pretty much in place, and they're as full of holes as ever.

I do know, however, that it is not impossible for a large city school system to collect accurate enrollment numbers. My firm prepares the annual enrollment projections for the New York City Public Schools, a million-pupil school system. We have done so since 1988. On a one-year basis, our projections have generally proved accurate within less than one student in 1,000. We use pretty sophisticated methods, but we could not do this well without having good data to start with.

You may have noted that New York City's discrepancy was the second lowest among the major cities -- only 1.2 percent. And this amount could be due to growth, since New York City has been growing. New York City audits its enrollment counts with extreme care, and it conducts surprise head counts in randomly selected schools. The final fall numbers are not available until the following March or April. There's a lot of understandable carping about this from impatient administrators anxious to get our projections, but in my view it's worth the wait.

I haven't accused anyone in the District of cheating, and I won't. But I think that it's important that we accept the fact that all human beings are fallible. That's why banks audit their funds very carefully. Auditing students is more difficult, but it's equally important. Well-run school systems like New York manage it, and it pays off.

Auditing procedures designed for financial purposes will not necessarily catch the kinds of things that often cause enrollment counts to be wrong, usually on the plus side. A teacher may not have seen Johnny for a couple of months, or maybe not since last year, but she's hoping he'll come back so she keeps him on the roll. A poorly-designed computer program may be so hard for people to use that they may delay removing students from the rolls when they leave in the middle of a semester.

Because of faulty procedures, students who move within the District may turn up on the registers of two schools at once. For a long while the computer system of the District schools had no way of detecting this and correcting for it. I understand that Mr. Wenning has been working to fix this, but the procedures themselves have to be bullet-proofed. In other cases, students who move out of the city may remain on the rolls. In a city where 61 percent of households are renters, student mobility is very high, and the errors that result can be substantial unless foolproof procedures are in place.

Even worse, changes people faithfully enter into the computer may not take. I've been told that at least until very recently, the District's system had a default that put students back in the year after they'd been taken off the rolls unless the user pushed just the right buttons.

The real danger point in the process, however, is at the point where students are actually counted, and that is in the classroom when the teacher counts them. If that count is not correct, no procedural safeguards after that point can insure that it will be caught. Teachers can be told to sign a statement that the roll is correct, and principals can be told to verify it, but if people don't believe that serious consequences will result if it isn't, then the system is not safe. Only if they do, and this is reinforced by stern actions when errors are found, will it ever be safe. Even in New York, deliberately padded enrollments were recently found in a large high school. The principal was immediately transferred to the Chancellor's office, and a legal case is being prepared against her. The school system made sure that this was reported in the press as a warning to others. She could go to jail, since enrollment padding is fraud.

New York City is well aware, as the District apparently still is not, that inflated enrollment counts can cost real bucks. Schools are expensive facilities to build and maintain, and they're becoming even more costly with increasing knowledge and concern about environmental hazards to the health and safety of children. Fixing up a school that's seriously under-enrolled may cost much more than moving the remaining kids to another under-enrolled school.

Good teachers aren't cheap either, and a teacher who has a class of eight or ten when (s)he could easily handle 20 or 25 is not being well utilized. There have been a number of reports of situations like this from concerned parents. But let's face it -- since student counts translate into jobs, some people who know that a correct student count could threaten their future well-being may not care much about whether the numbers are right or not, or whether they're teaching as many as they could. They won't unless they know that serious consequences may follow.

Until we are reasonably sure that we know the precise enrollment of the D.C. Public Schools, broken down exactly by school and grade, it will be impossible to project what the enrollments will be five or ten years from now with any reasonable degree of certainty. Without knowing that, it will be impossible to develop a sound and affordable plan to improve and maintain the schools for the coming century -- which will be upon us in less than two years.

The problem is not solely one of the future, however near. It isn't even possible to determine with any certainty right now which schools are seriously under-utilized, and could be shut down immediately in order to re-direct scarce funds to places where they are really needed. Effective allocation of human resources becomes impossible too. Too many half-empty buildings and too few people fully employed will quickly mount into many millions of dollars of taxpayers' money wasted.

I think it's significant that the District's schools are the only system in the nation where the Board and Superintendent don't have to report to a higher authority -- or at least hadn't until the Control Board came along. The Superintendent is his own State School Officer. There is no independent oversight, and hence no incentive to make meaningful changes.

With that higher authority now in charge, there is an opportunity to impose the discipline necessary to make the schools an effective mechanism for the education of the District's future citizens and workers. Over time, that discipline can become internalized.

That will take time and effort, and both will be substantial. But many other things will then become easier. It will be possible to plan ahead, and to foresee the future consequences of present actions with some reliability. But if the opportunity is lost, it may never be regained. In that case, the D.C. Public Schools may remain forever a system out of control.

Mr. DAVIS. Thank you very much. We will have some followup questions. That was informative testimony.

General Becton is next.

General BECTON. Thank you, Mr. Chairman, and members of the committee. I appreciate being invited to testify before the subcommittee today. As you know, Dr. MacLaury, the chairman of the board and Mr. Wenning, director of the District of Columbia Public School's Office of Educational Accountability, are here with us this morning and will testify as well. I would like to make a few general remarks about the efforts that we have made to ensure the accuracy of our school student enrollment count. As I said, Mr. Wenning will discuss the specific steps that we have taken toward that end.

First, let me say that I clearly recognize the importance of an accurate student count. Obviously our student count directly affects our per pupil expenditure rate. This expenditure rate and the comparable expenditure rates of other school districts are used by policymakers to evaluate what our funding needs are and whether the funds that we have are being used appropriately.

As you have already noted, the GAO evaluated the process for counting students used in the September 1996–97 count, which as you know was prior to our arrival, and found that process to be vulnerable to error. As a matter of fact, the GAO found the count to be unauditable because of the process that was used. We used the GAO report as the basis for changes that we made in this year's count.

I should note we produced an auditable count. The financial authority recently hired an independent firm to audit that count. That audit is currently under way. According to our fall 1997–98 count, the official enrollment for DCPS is 77,111. That total includes 33 students who are paying tuition as nonresidents. We know that there are additional nonresidents in the count and recognize that this is a serious problem. The board of trustees recently approved a new stricter residency policy. I am hopeful that this new rule will help us to identify nonresidents in our schools and force them to pay tuition or remove them quickly.

I believe that Dr. MacLaury intends to discuss this rule in more detail, so I will leave that up to him. I do want you to know that we intend to continue working to improve the process by which we count our students. I know that the GAO still believes our count to be vulnerable to error, and although we did not agree with all of the most recent findings, we do share their view that there is still room for improvement. I hope you have had the opportunity to review our February 27 letter to the GAO responding to our draft testimony as it described both the areas where we are in substantial agreement with GAO and those areas where we believe that they may not have fully understood certain actions that were taken to improve the count and impact on those actions.

We are aware that some school districts have a much more centralized student enrollment process and we are considering the possibility of moving in that direction in the District of Columbia. Like so many of the information systems in the District of Columbia, our student information system is badly outdated. In its report, GAO described many of its shortcomings. We are planning to purchase a new student information system during the current fiscal year. This new system will help us to lock out potentially inaccurate information.

Finally, you asked for information about the District of Columbia's compliance with the congressional requirement that per pupil funding allocation for DCPS schools and charter schools be established. As you may be aware, the law calls for this allocation to be developed by the City Council and the Mayor in consultation with the schools. It is my understanding that Council Member Kevin Chavous, the chairman of the council's Committee on Education, Libraries and Recreation, has brought together a working group for the purpose of developing those allocations. Ed Stephenson, our chief financial officer, and members of his staff have been participating in this working group. I am certain that Council Member Chavous will be happy to update you on the status of the efforts in this area.

I would now like to turn it over to Rich to provide you with more detail on our response to the 1997 GAO report, the process we used to conduct the 1997–98 count, and his views on the most recent GAO analysis. After his remarks, I will be more than happy to respond to your questions.

[The prepared statement of General Becton follows:]

DISTRICT OF COLUMBIA
PUBLIC SCHOOLS

Office of the Chief Executive Officer
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Washington, D.C. 20004-1994
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STATEMENT OF JULIUS W. BECTON, JR.
CHIEF EXECUTIVE OFFICER
DISTRICT OF COLUMBIA PUBLIC SCHOOLS
BEFORE THE
COMMITTEE ON GOVERNMENT REFORM
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA
ON THE
DCPS STUDENT COUNT
MARCH 13, 1998

Mr. Chairman, thank you for inviting me to testify before the Subcommittee today. As you know, Mr. Richard Wenning, Director of the District of Columbia Public Schools' Office of Educational Accountability, is here with me and will testify as well. Therefore, I will make some general remarks about the efforts we have made to ensure the accuracy of DCPS' student enrollment count and then Mr. Wenning will discuss the specific steps his office has taken toward that end.

First, let me say clearly that I recognize the importance of an accurate student count. Obviously, our student count directly affects our "per-pupil expenditure" rate, and this expenditure rate, and the comparable expenditure rates of other school district, are used by policy makers to evaluate what our funding needs are and whether we are using the funds we have appropriately.

As you have noted, the General Accounting Office evaluated the process for counting students used in the September 1996-1997 count (which, was prior to my arrival) and found that process to be "vulnerable to error." As a matter of fact, the GAO found the count to be unauditable, because of the process that was used.

We used the GAO report as the basis for changes that we made in this year's count. And, I should note, we produced an auditable count, and the Financial Authority recently hired an independent firm to audit that count. The audit is underway.

According to our fall 1997-1998 count, the official enrollment of DCPS is 77,111. According to our most recent figures, that total includes 33 students who are paying tuition as non-residents. We believe that there are additional nonresidents in the count, and recognize that this is a serious problem.

The Board of Trustee recently approved a new, stricter residency policy and I am hopeful that this new rule will help us to identify non-residents in our schools and force them to pay tuition or remove them more quickly. I believe that Dr. MacLaury intends to discuss this rule in more detail so I will leave that to him.

I do want you to know that we intend to continue working to improve the process by which we count our students. I know that the GAO still believes our count is vulnerable to errors and, although we did agree with all of their most recent recent findings, we do share their view that there still is room for improvement. I hope you have had the opportunity to review our February 27 letter to GAO responding to their draft testimony, as it describes both the areas where we are in substantial agreement with GAO and the areas where we

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believe they may not have fully understood certain actions that were taken to improve the count and the impact of those actions.

We are aware that some school districts have a much more centralized student enrollment process, and we are considering the possibility of moving in that direction in DC. In addition, like so many of the information systems in the District of Columbia, DCPS' Student Information System is badly outdated. In its report, GAO described many of its shortcomings. We are planning to purchase a new Student Information System during this fiscal year. This new system will help us to lock-out potentially inaccurate information.

Finally, you asked for information about DC's compliance with the congressional requirement that per-pupil funding allocations for DCPS schools and public charter schools be established. As you may be aware, the law calls for this allocation to be developed by the City Council and the Mayor, in consultation with the schools.

It is my understanding that Councilman Kevin Chavous, who is the Chairman of the Council's Committee on Education, Libraries and Recreation, has brought together a working group for the purpose of developing these allocations. Mr. Ed Stephenson, DCPS' Chief Financial Officer, and members of his staff, have been participating in this working group. I am certain that Councilman Chavous would be happy to update you on the status of his efforts in this area.

I will now turn to Mr. Wenning to provide you more detail on DCPS' response the 1997 GAO report, the process we used to conduct the 1997-1998 count, and his views on the most recent GAO analysis. After his remarks, I will of course be available to answer any questions you may have.

Thank you, again, for the opportunity to testify.

Mr. DAVIS. Thank you very much.

Mr. WENNING. Mr. Chairman, members of the subcommittee, I welcome the opportunity to appear before you today to discuss the enrollment count in the District of Columbia public schools.

As you know, questions about the accuracy of DCPS's enrollment count have existed for many years. Most recently, in August 1997, as the GAO has just testified, they released their audit of the methodology used by DCPS for the count in October 1996. GAO identified a number of major weaknesses, including inadequate use of automation; namely, the count was done manually because the data base, the student information system contained numerous errors. Students could be counted more than once due to duplicate records. Students could be counted that were not actively enrolled. School records were not properly maintained so that the count could not be audited. And residency verification often was not done, leaving DCPS vulnerable to including nonresident students in its count.

In response to the GAO findings, DCPS implemented new procedures in this school year to count its official enrollment. The new procedures resulted in a count of 77,111 students. That is now being audited as required by the District of Columbia School Reform Act of 1995. The procedures used this year featured use of the automated data base for the official count, weekly counts during October to update and clean that data base, a requirement that principals and teachers sign home room lists and principals sign schoolwide counts, an inclusion of a new field in the data base, which has been discussed, to record schools receipt of residency verification forms, and a number of automated and manual internal controls to prevent inclusion of duplicate and inactive students in the official count. The use of these new procedures resulted in the removal of 286 students from the official count that were originally included by principals. These included 133 duplicate students and 153 inactive students. In addition, the new procedures allowed us to identify schools that failed to comply with the enrollment procedures, permitting DCPS to hold principals accountable as part of their annual evaluation process.

Mr. Chairman, I believe we have taken significant steps in improving how we count our students. I also believe that significant steps remain. Prominent among these are replacing the current student information system with a modern system, moving to a more centralized enrollment process while ensuring a more equitable system of choice among schools, and of course combating the problem of nonresidents. As GAO testified and others will no doubt testify, DCPS remains vulnerable to including nonresidents in its official count. DCPS offers education programs that are attractive to nonresidents, particularly preschool, pre-K, and all-day kindergarten programs, not provided by surrounding jurisdictions. In addition, there is of course considerable residential mobility between the District of Columbia and surrounding jurisdictions. When census projections are reconciled with the DCPS data, and I have gone through Mr. Grier's numbers, it appears that the number of nonresidents included in the official count may be in the range of 4 to 7,000 students.

However, the fact that nonresident students may be included in the count does not mean that the count is inaccurate. I want to differentiate between those things. The overall count is intended to reflect the number of students in our schools, regardless of their residency. Furthermore, DCPS can for the first time target nonresidents, using its automated data base. This data, coupled with revised and strengthened residency rules, will significantly improve DCPS' ability to identify nonresidents and enforce tuition requirements.

Mr. Chairman and Ms. Norton, instituting change in a large urban school system in the midst of a takeover is a complex and often incremental process that involves both changes in the rules and changes in organizational culture. We changed the rules this year on how we count our student enrollment. We were able to identify errors, correct them, and hold people accountable. Now, we must follow through with additional improvements and continue to foster change in our organizational culture. We are about to begin a process of collecting 3 documents supporting proof of residency from 77,000 students in 150 different schools while targeting several thousand for tuition enforcement. This is going to be a mammoth task. Having the revised rule in place with its more stringent requirements, expedited appeals process, and leverage for principals, namely their ability to exclude students currently enrolled for not returning proofs of residency, was a very important first step for us. To be successful, however, the effort of combating nonresidents will require the support of all of the school system's external stakeholders.

This concludes my prepared statement. I too of course will be happy to answer any questions that you may have.

[The prepared statement of Mr. Wenning follows:]

STATEMENT OF RICHARD J. WENNING
DIRECTOR OF EDUCATIONAL ACCOUNTABILITY
DISTRICT OF COLUMBIA PUBLIC SCHOOLS

BEFORE THE SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA,
COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT,
U.S. HOUSE OF REPRESENTATIVES

MARCH 13, 1998

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

I WELCOME THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO DISCUSS THE ENROLLMENT COUNT OF THE DISTRICT OF COLUMBIA PUBLIC SCHOOLS.

AS YOU KNOW QUESTIONS ABOUT THE ACCURACY OF DCPS' ENROLLMENT COUNT HAVE EXISTED FOR MANY YEARS. THE OCTOBER 1996 REPORT OF THE CONTROL BOARD, CHILDREN IN CRISIS: A FAILURE OF THE D.C. PUBLIC SCHOOLS, STATES "ONE OF THE MOST SERIOUS DATA PROBLEMS IS THE LACK OF CREDIBLE INFORMATION ON THE NUMBER OF STUDENTS." IN AUGUST OF 1997, THE GENERAL ACCOUNTING OFFICE (GAO) RELEASED ITS AUDIT OF THE METHODOLOGY USED BY DCPS FOR ITS OFFICIAL ENROLLMENT COUNT OF OCTOBER 1996. THE GAO IDENTIFIED A NUMBER OF MAJOR WEAKNESSES, INCLUDING:

- INADEQUATE USE OF AUTOMATION--THE COUNT WAS DONE MANUALLY BECAUSE THE DATABASE INCLUDED INACCURATE INFORMATION.

- STUDENTS COULD BE COUNTED MORE THAN ONCE DUE TO DUPLICATE RECORDS.

- STUDENTS COULD BE COUNTED THAT WERE NOT ACTIVELY ENROLLED.

- SCHOOL RECORDS WERE NOT PROPERLY MAINTAINED SO THAT THE COUNT COULD NOT BE AUDITED.

- RESIDENCY VERIFICATION OFTEN WAS NOT DONE, LEAVING DCPS VULNERABLE TO INCLUDING NONRESIDENT STUDENTS IN ITS COUNT.

NEW ENROLLMENT COUNT PROCEDURES

IN RESPONSE TO THE GAO FINDINGS, DCPS IMPLEMENTED NEW PROCEDURES THIS SCHOOL YEAR TO COUNT ITS OFFICIAL ENROLLMENT. THE NEW PROCEDURES RESULTED IN A COUNT OF 77,111 STUDENTS THAT IS NOW BEING AUDITED, AS REQUIRED BY THE DISTRICT OF COLUMBIA SCHOOL REFORM ACT OF 1995.

THE PROCEDURES USED THIS YEAR FEATURED:

- USE OF THE AUTOMATED DATABASE FOR THE OFFICIAL COUNT

- WEEKLY COUNTS DURING OCTOBER TO UPDATE AND CLEAN THE DATABASE.

- A REQUIREMENT THAT PRINCIPALS AND TEACHERS SIGN HOMEROOM LISTS AND PRINCIPALS SIGN SCHOOLWIDE COUNTS.

- INCLUSION OF A NEW FIELD IN THE DATABASE TO RECORD SCHOOLS' RECEIPT OF RESIDENCY VERIFICATION FORMS.

- AUTOMATED AND MANUAL INTERNAL CONTROLS TO PREVENT INCLUSION OF DUPLICATE AND INACTIVE STUDENTS IN THE OFFICIAL COUNT.

THE USE OF THESE NEW PROCEDURES RESULTED IN THE REMOVAL OF 286 STUDENTS FROM THE OFFICIAL ENROLLMENT COUNT THAT WERE ORIGINALLY INCLUDED BY PRINCIPALS. THESE INCLUDED 133 DUPLICATE STUDENTS AND 153 INACTIVE STUDENTS. IN ADDITION, THE NEW PROCEDURES ALLOWED US TO IDENTIFY SCHOOLS THAT FAILED TO COMPLY WITH THE ENROLLMENT PROCEDURES, PERMITTING DCPS TO HOLD PRINCIPALS ACCOUNTABLE AS PART OF THEIR ANNUAL EVALUATION PROCESS.

MR. CHAIRMAN, I BELIEVE WE HAVE TAKEN SIGNIFICANT STEPS IN IMPROVING HOW WE COUNT OUR STUDENTS. I ALSO BELIEVE THAT SIGNIFICANT STEPS REMAIN. PROMINENT AMONG THESE ARE REPLACING THE CURRENT AUTOMATED DATA BASE WITH A MODERN SYSTEM; MOVING TO A MORE CENTRALIZED ENROLLMENT PROCESS WHILE ENSURING AN EQUITABLE SYSTEM OF CHOICE AMONG SCHOOLS; AND, OF COURSE, COMBATING THE PROBLEM OF NONRESIDENTS ATTENDING OUR SCHOOLS WITHOUT PAYING TUITION.

AS GAO AND OTHERS WILL NO DOUBT TESTIFY, DCPS REMAINS VULNERABLE TO INCLUDING NONRESIDENTS IN ITS OFFICIAL COUNT. DCPS OFFERS EDUCATION PROGRAMS THAT ARE ATTRACTIVE TO NONRESIDENTS, PARTICULARLY PRE-SCHOOL, PRE-KINDERGARTEN, AND ALL-DAY KINDERGARTEN PROGRAMS NOT PROVIDED BY SURROUNDING JURISDICTIONS. IN ADDITION, THERE IS CONSIDERABLE RESIDENTIAL MOBILITY BETWEEN THE DISTRICT OF COLUMBIA AND SURROUNDING JURISDICTIONS

WHEN CENSUS PROJECTIONS ARE RECONCILED WITH DCPS DATA, IT APPEARS THAT THE NUMBER OF NONRESIDENTS INCLUDED IN THE OFFICIAL COUNT MAY BE IN THE RANGE OF 4,000 TO 7,000 STUDENTS. HOWEVER, THE FACT THAT NONRESIDENTS MAY BE INCLUDED IN THE COUNT DOES NOT MEAN THAT THE COUNT IS INACCURATE. THE OVERALL COUNT IS INTENDED TO REFLECT THE TOTAL NUMBER OF STUDENTS IN OUR SCHOOLS, REGARDLESS OF THEIR RESIDENCY.

FURTHERMORE, DCPS CAN, FOR THE FIRST TIME, TARGET NONRESIDENTS USING ITS AUTOMATED DATABASE. THIS DATA, COUPLED WITH REVISED AND STRENGTHENED RESIDENCY RULES, WILL SIGNIFICANTLY IMPROVE DCPS' ABILITY TO IDENTIFY NONRESIDENTS AND ENFORCE TUITION REQUIREMENTS.

MR. CHAIRMAN, INSTITUTING CHANGE IN A LARGE URBAN SCHOOL SYSTEM IN THE MIDST OF A TAKEOVER IS A COMPLEX AND OFTEN INCREMENTAL PROCESS THAT INVOLVES BOTH CHANGES IN THE RULES AND CHANGES IN ORGANIZATIONAL CULTURE. WE CHANGED THE RULES THIS YEAR ON HOW WE COUNT OUR STUDENT ENROLLMENT. WE WERE ABLE TO IDENTIFY ERRORS, CORRECT THEM, AND HOLD PEOPLE ACCOUNTABLE. NOW WE MUST FOLLOW THROUGH WITH ADDITIONAL IMPROVEMENTS AND CONTINUE TO FOSTER CHANGE IN OUR ORGANIZATIONAL CULTURE.

WE ARE ABOUT TO BEGIN A PROCESS OF COLLECTING THREE DOCUMENTS SUPPORTING PROOF OF RESIDENCY FROM 77,000 DIFFERENT STUDENTS IN 150 SCHOOLS WHILE TARGETING SEVERAL THOUSAND STUDENTS FOR TUITION ENFORCEMENT. HAVING THE REVISED RULE IN PLACE, WITH ITS MORE STRINGENT REQUIREMENTS, EXPEDITED APPEALS PROCESS, AND LEVERAGE FOR PRINCIPALS, WAS AN IMPORTANT FIRST STEP. TO BE SUCCESSFUL, HOWEVER, THIS EFFORT WILL REQUIRE THE

SUPPORT OF ALL OF THE SCHOOL SYSTEM'S EXTERNAL STAKEHOLDERS.

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THIS CONCLUDES MY PREPARED STATEMENT. I WILL BE PLEASED TO RESPOND TO ANY QUESTIONS THAT YOU OR THE OTHER COMMITTEE MEMBERS MAY HAVE.

Mr. DAVIS. Thank you. Thank all of you for your testimony.

The first critical issue is how many students are in the D.C. schools. Is it the 77,000? Is that figure accurate? How comfortable is everybody with the figure? Let me start over on the left and work my way down the row.

Ms. BLANCHETTE. I have no idea how many students are in the D.C. public school system. As I stated, because of concerns that we have about the process used to count those students, we would similarly have concerns about the result of that process.

Mr. GRIER. I would concur with Ms. Blanchette. In addition, I would say that while I have no idea how many they have either, the magnitude of the gap between other figures and figures produced by the schools is such that I don't think that the figures are anywhere near correct. They may be off by thousands.

Mr. DAVIS. Mr. Wenning, how do you react to that?

Mr. WENNING. My reaction to that is I believe there are 77,111 students in the D.C. public schools.

Mr. DAVIS. In October at least?

Mr. WENNING. As of October 30. One of the ways—of course the audit is ongoing, but a way we validated that is we administered our standardized test a week before counting our students; 90 percent of our official enrollment returned test booklets. Unless there was some awfully widespread systematic fraud——

Mr. DAVIS. Why is 90 percent the figure? It could have been 82 percent. It could have been 94 percent.

Mr. WENNING. We had 90 percent of our official enrollment returning test booklets. The average attendance for that month was about 90 percent. What I am suggesting is that is strong validation that the bodies are in the schools. So I am satisfied that the count is accurate.

Mr. DAVIS. What you are saying, let me understand this, 90 percent returned tests. Presumably authors, the people that are in school that day that are taking the test.

Mr. WENNING. Right.

Mr. DAVIS. That is to say on a given day 90 percent of the kids are in school. That is your number.

Mr. WENNING. Correct.

Mr. DAVIS. General Becton.

General BECTON. I support what Rich says.

Mr. DAVIS. I hope so.

Let me ask, 90 percent returning test scores versus 85. Is 90 percent a figure you find in other jurisdictions for average attendance on a day?

Mr. GRIER. In many high schools, particularly in urban districts, it is well below that. As many as 25 and 30 percent. In some of what the District has called audits of its own over the years they have found a lot of high schools are down around, oh, two-thirds to at most three-fourths of their enrollment on any given day. And I think about the lowest absentee rate they got was about 10 percent at the elementary level. I am really astonished by that figure. It is hard for me to believe that that many kids showed up on that particular day.

Mr. DAVIS. Any comment from the GAO? You are not as much of an expert in that particular area?

Ms. BLANCHETTE. I am not. I can't comment on what other jurisdictions would experience in terms of the average daily attendance. But I would like to make a point. One of the differences between what we are saying and what General Becton and Mr. Wenning have been talking about in terms of the process and the count have to do with who is eligible to be counted. Because this count will more so in the future than in the past be used to determine funding allocations and even in the past it has been relied on somewhat to determine budgets for individual schools, one has to look at the number of students that are supposed to be educated, not just the number of bodies that might be present on the given day or even on average over a period of time. That seems to be a key difference here. A key point that we made and the concern that we have has to do with the verification of residency. We do not believe that the school system currently has in process a system that would authenticate residency and detect nonresidents so that they can be given the opportunity to pay tuition or have their students go elsewhere.

Mr. DAVIS. That leads me to the second question for the whole hearing, and that is, from where are these students coming? Do all the students attending D.C. schools belong there? I am sure I will get different answers as I move through each witness. Let me start over here with General Becton and Mr. Wenning this time. Do all the students attending the D.C. schools belong there? What figure do you have for students of others jurisdictions out of that 77,000 figure?

General BECTON. We have already identified that there are somewhere, as Rich said, between 4,000 and upwards 7,000 of students that we believe are in our schools that do not belong there because they are not residents. I would like for Rich to describe what we are doing about it, especially the new approach to residency requirement, passed by the Board of Trustees, that we intend to take. We anticipate that the Control Board will have that policy passed in the very near future.

Mr. WENNING. The current residency requirement for the D.C. public schools, which is codified as a board rule, does not require principals to obtain proofs of residency from students. The proofs specified in the existing rule are not finite, but they suggest some, such as church membership for example, that could be accepted. I should also add that the previous rule does not permit principals to exclude currently enrolled students for failure to provide proofs. The new rule does. The new rule also specifies a finite list of proofs that can be accepted, and all students will be required to provide those proofs.

As I described, it is going to be one mammoth task to collect that information from 77,000 students, but we are committed to doing that. In addition, the new rule provides for an expedited appeals process. Currently when we identify a nonresident student, there can be an endless round of appeals which makes it very difficult to get to the point of tuition payment. The new rule provides for a single appeal with the new rule in DCPS and then the issue moves to the District's Corporation Counsel. With the new rule, we hope to target these students and combat this problem.

Mr. DAVIS. Let me ask, conservatively, if you have 4,000 students in this system that live outside the jurisdiction and the city is spending around $7,000 a student, that is not out of the ballpark, is it; that is $28 million a year?

Mr. WENNING. Right.

General BECTON. That is correct.

Mr. DAVIS. That's big bucks. What could you do with that money in the school system; buy computers?

General BECTON. That is exactly right.

Mr. DAVIS. New teachers, roofs, all those things could be used with that money.

General BECTON. Which is why we are so insistent upon getting a new residency approach approved that will have teeth in it.

Mr. DAVIS. I understand. You didn't invent this situation. You kind of walked into it and are trying to get a handle on it. I am just trying to outline how important this is.

Mr. Grier.

Mr. GRIER. I think it is obviously very important that the District collect money from parents of kids who are not legally in the schools.

Mr. DAVIS. Or get them out of the schools.

Mr. GRIER. Or get them out of the school system if they can, yes.

Mr. DAVIS. I gather if they had to come up with $7,000, a lot of these kids would go to their——

Mr. GRIER. Would have to. It would result in not a great deal of increased revenue.

Mr. DAVIS. But if you have fewer kids, you can hire fewer teachers and lower the ratios. Would you agree with that?

Yes.

Ms. BLANCHETTE. It would seem reasonable that that would be the result. If not fewer teachers then allocating resources in other ways. And it might impact on school facility needs, number of school buildings required and so forth.

Mr. GRIER. May I add a little to what I said? That is that I hope that we won't fasten solely or mostly upon that question. I don't think it is the germane one. The question really is, How many kids does the District have, where are they and what does this portend for planning and management of the system?

New York City could not manage a student body of over a million kids if it didn't have a good enrollment tracking system. It's absolutely essential. I hold New York City up as a model for the Nation.

Mr. DAVIS. So you have a model at least in New York; we don't have to reinvent the wheel. In fact, in New York they are probably more transient in many cases, given their immigration, than in this city.

Mr. GRIER. Enormous transiency. Enormous. But they keep good records. That is an automated system. It is easy to use data entry screens. It is very user friendly.

Mr. DAVIS. Do they have proof of residency that they would require?

Mr. GRIER. They don't require proof of residency. They couldn't get it from some of the students because they are illegals. There would just be nothing there that they could work with. They don't bother with that. But they do bother with the number of kids they have enrolled and that is what they care about. They think they probably do have a few kids coming in from the suburbs on the fringes of the system but they do not think that it's a big problem.

Mr. DAVIS. My question, I guess to everybody, is why would somebody come in from Prince Georges or Fairfax or anywhere else to go to a D.C. public school. What is the rationale? Is it day care?

Mr. GRIER. Day care.

General BECTON. You have day care and prekindergarten; and we have some magnet schools that are very fine programs. We note that most of them we believe are in schools located on the periphery of the District. We have ways of tracking down license plate numbers and working with the various jurisdictions when we find that.

Any other areas?

Mr. WENNING. Indeed, in all-day kindergarten.

Mr. DAVIS. That is really what would fuel this, it would seem to me.

Mr. WENNING. If I may, when we look at exit data to see when students leave the school system for private schools, that often occurs after the early grades, at third grade, for example. Moreover, now with the new residency field——

Mr. DAVIS. Let me ask a question of you if I could.

Mr. WENNING. Certainly.

Mr. DAVIS. Do you think the abuse, if there is abuse, I think we have conceded there are some people from outside the jurisdiction bringing their kids into the public schools. Is it fair to say these abuses are where you have before and after school care, and all-day kindergarten instead of at the high school level?

General BECTON. Not in large numbers, but we have noted that certain schools have athletes who come in who seem to be living outside the jurisdiction.

Mr. DAVIS. We have that problem in Virginia. I think that is a nationwide problem. You get extra competition, 2 years extra in the District of Columbia, is that right?

Mr. DAVIS. What I'm asking is, for kids coming outside the jurisdiction, is it more likely to occur at third grade and below?

General BECTON. Earlier ages, yes.

Mr. DAVIS. Earlier ages.

General BECTON. Probably up to grade six.

Mr. DAVIS. Let me ask the GAO representative, are students that are included in the 77,111 count, are there students there who are not ordinarily included in such counts?

Ms. BLANCHETTE. Yes.

Mr. DAVIS. OK.

Ms. BLANCHETTE. Students that are younger than the age for compulsory public education, students that are above that age in the District of Columbia, 20 years old and older, Head Start participants, if they are housed in D.C. public school buildings are included. They are not—there's no way of separating out the Head Start students that are funded from a separate source.

Mr. DAVIS. OK.

Mr. WENNING. Mr. Chairman.

Mr. DAVIS. Yes, please.

Mr. WENNING. If I might comment on that, we count our students as mandated by the Congress. Our report of enrollment complies with the School Reform Act of 1995. It requires us to count students in each of the categories in which we report them and that, regardless of whether other school systems count them the way we do, we comply——

Mr. DAVIS. You have different rules than other States.

Mr. WENNING. We comply with the statute.

Mr. DAVIS. I just wanted to get that on the record. I think that's important. We're comparing apples to oranges versus apples to apples.

Ms. BLANCHETTE. Mr. Chairman——

Mr. DAVIS. Yes.

Ms. BLANCHETTE [continuing]. I would raise an issue, and this is not something that GAO really looked into, and it's really a legal issue. It is true that there is a requirement for separate reporting of these categories. Whether or not that means including them in the official total count and then using that number as a basis for funding decisions——

Mr. DAVIS. It's a different issue.

Ms. BLANCHETTE. It may very well be.

Mr. DAVIS. That's fair. I just wanted to get that on the record. Let me just ask General Becton and Mr. Wenning, did the school system do a baseline enrollment by making all current as well as new students prove their residency?

General BECTON. We try.

Mr. DAVIS. You try.

Mr. WENNING. The—let me explain the process. We used the basic proof of residency. And again we're trying to focus on accountability for parents and for schools and for principals. The basic proof of residency is a signed document by a parent certifying that they are a resident of the District of Columbia, understanding that committing fraud is punishable by law. That was the basic proof of residency we requested.

In addition, we encourage principals to obtain proofs, additional proofs, as permitted by the current board rules. We did that for all of our students. And as the GAO has reported, about 12,800 of our students did not return that basic proof of residency; 83 percent of our students did.

Mr. DAVIS. OK. You have a model of something that appears to work with New York City. Will you agree with that?

Mr. WENNING. Apparently, yes.

Mr. DAVIS. Have we looked at that model and said, how can we get to that model in the next year or 2 years if we automate and get our systems up?

Mr. WENNING. I personally have not looked at the New York City model specifically, nor have I——

Mr. DAVIS. Having headed a government that was at least a population larger than the city, that's something that would be just off the shelf, that if you wanted to do something right with something that was totally screwed up, take something that works like the New York model. You may want to tailor it a little bit for some local concerns and statutes, but it seems here we have something that we know works, that has been a model for other areas. Why don't you take it off the shelf, see if it works, and try to implement it.

I don't expect you to get there in 6 months to a year, but over a 2- to 3-year period, I think we could get effective information so we can make effective decisions.

Let me ask Mr. Grier, what do you think about that?

Mr. GRIER. I even talked to New York City about this and said, I think the District needs help, and you guys might be able to help them. Would you be able to do that?

Mr. DAVIS. This could be possible over a 2- to 3-year period.

Mr. GRIER. Sure.

Mr. DAVIS. Why wouldn't you do that?

Mr. GRIER. I can't think of a reason why not.

I think one thing is important to understand about all the evaluation and all the audit procedures we can make. The real danger point in the process is the point at which the students are actually counted, and that's in the classroom when the teacher counts them.

Now, the teacher may submit something that's signed, and the principal may countersign it. That doesn't ensure that a student that really wasn't there will be found. The only way to make it safe is to make sure that teachers and principals know that if they get caught, things are going to go very badly for them. And they might get caught at any time because New York City does random head counts.

Mr. DAVIS. You talked about that, and you talked about setting an example. The deterrent effect, I think, is what Mrs. Norton said.

Mr. GRIER. Yeah. This is the first time in many years they found somebody cheating. They sure made a big case out of it.

Mr. DAVIS. It seems to me, and please respond, if I were put in a position where you are, and somebody said you have to get this up to snuff, you would want to get a system that's going to be accurate over the long term—I'm not going to sit here and take issue with your numbers. I think the GAO and Dr. Grier have done a good job of that without me having to say anything. But to get credibility over the long term and to even enhance on the numbers you had earlier, if you could say, we have a system, and this is where we're working toward, we would all feel a lot more comfortable with that.

I don't expect you to get it overnight. This is complicated, and you're changing a lot of things. But you have a system that works, and you put the investment there, and at the end of 1 or 2 years, you're there, instead of struggling day to day, which right now it appears is where we've been, trying to reinvent the wheel.

Let me give General Becton an opportunity to respond. Do you have a problem with that?

General BECTON. I have no problem with that. But I would remind Mr. Chairman that we are purchasing a student information system so that we can have it completely computerized, which we do not have right now. I will personally contact Rudy Cruz in New York and ask for assistance and find out what he's doing.

But I also want to point out that our principals understand that part of the evaluation is based upon several things. Fifty percent of it is based upon student scores, but also a part of it is based upon personnel administration, based upon logistics, based upon community and parental involvement. So they know they're next on the chopping block if they put in an unauthorized or illegal count.

Mr. **DAVIS**. I have just one other question before I yield to Ms. Norton for questions. I wonder if you could describe to us the open enrollment system that the city public schools have and whether this could affect the accuracy of the count. I would like everybody to take a shot at that if you feel you can.

General **BECTON**. I guess I need to find out, are you talking about open enrollment that allows a person to go from one neighborhood over to a school in another neighborhood?

Mr. **DAVIS**. Correct.

General **BECTON**. OK. The principals have the authority to enroll a student out of boundary, but once that takes place, and he or she can only enroll so many out of boundary students because of space constraints and what programs they have, then that name goes into a central data bank. If that name comes up someplace else, it's a duplicate.

Mr. **DAVIS**. OK. Anything you can add to that?

Mr. **WENNING**. That happens. We saw those duplicates. And as I said, we removed 155 duplicates, often because students show up in two different schools, and we are able to check for that. And we purge the system of them.

Mr. **GRIER**. Mr. Chairman, New York City has a tremendous amount of transiency and kids moving between schools all the time.

Mr. **DAVIS**. More than Washington, wouldn't you say?

Mr. **GRIER**. Oh, much more. Much more. Huge Hispanic population, a lot of them illegal. People coming in all the time. Their system has grown enormously over the past few years because of immigration. And these folks move around a lot, because they're poor. They've got an enormous management problem, but they keep track of those students. Believe me, they track them.

Mr. **DAVIS**. They have a system up. They have a computer system up which the city has not headed up.

General **BECTON**. That's what we're shooting for.

Mr. **GRIER**. It's a beautiful system. And it's real time. It's right as of this moment.

Mr. **DAVIS**. We're spending a lot of money in this city on new computer systems. We have to make sure that we have something that works, and not some brand new thing that's supposed to be super duper that may not reduce the same amount. This is not complicated actually——

Mr. **GRIER**. It really isn't.

Mr. **DAVIS** [continuing]. Counting people.

Mr. **GRIER**. It should be possible.

Mr. **DAVIS**. We make it complicated sometimes, and it doesn't need to be.

Ms. **BLANCHETTE**. Yes. Mr. Chairman, in response to your current question regarding the open enrollment, as we state in our testimony, it just increases the possibility of duplication.

Mr. **DAVIS**. Right.

Ms. **BLANCHETTE**. And I guess, to some extent, it probably occurred to some entrepreneurial activity among school principals to maybe recruit students sometimes. But we don't take issue with the open enrollment per se.

With regard to your previous question regarding New York City public school system as a model, we have not done any work involving New York City, but we did visit the Boston school system as part of our work for the August 1997 report. And I'll note that we believe the Boston school system has a good, good process in place for counting students. And it has the added provision of requiring proof of residency, which we still believe is important, particularly in the District of Columbia.

Mr. DAVIS. If you've got 4,000 students that live outside the city, somebody is paying for that in the city in a budget where you have competing priorities. I think there's not a person at this table or in the system that doesn't want to get that fixed. I agree with that.

As we look at the New York computer system, and you look at the proof of residency that Boston has got, when you combine these, you come up with a pretty good system.

I would say before we reinvent some new super duper system, if we have a system that our experts are telling us is effective and work, let's use it. We can always update it when they get in place.

But we just struggle in this city sometimes with the best of intentions just to try to stay afloat when there are some life rafts out there that we can grab onto. In this case, it's New York count system and maybe Boston's verification system for residency. Let's employ them. We may have to tailor it slightly to fix the laws that apply to the District, but if we can work toward that with a timetable, then everyone is going to be more comfortable, and Congress won't have to ask year after year, what's the count?

Let me yield to my colleague Ms. Norton. I know you have a number of questions as well. Ms. Norton, take as much time as you need with the questions, since I did.

Ms. NORTON. Thank you very much, Mr. Chairman.

First of all, I want to say that I'm very pleased you've begun to move on this issue. If the truth be told, frankly, for as long as I've been back in the District, when I came back home in 1977, the issue has been up, and there's been no movement on it. So I'm pleased to have some movement on it.

As I indicated, I am—I think that ultimately people can get it right in counting. I'm most disturbed by the fact that we are losing taxpayers, and that that means for every taxpayer you lose, somebody may be having to pay more taxes. So I'm real concerned about fraud myself.

And if there is fraud, I would like the school system to uncover it, as Mr. Grier says. Perhaps we don't have to be as draconian as that, I'm sure. But I would like the school system to uncover it, because if it gets uncovered here or the newspapers, the District has a terrible price to pay. It will all come back on the District.

This 90 percent figure that Mr. Wenning rests on and that Mr. Grier says is most unusual in a large city school system, the 90 percent figure for tests——

Mr. WENNING. I would love to comment on that.

Ms. NORTON. I would love to hear your comment on that.

Mr. WENNING. When I said 90 percent, I cited a District-wide figure. Mr. Grier then cited that high schools often have a lower percentage, and that's indeed the case in D.C. public schools. In 11th grade, for example, tests for only 76 percent of the official enrollment was returned, test booklets. We know we have a truancy problem. District-wide, 90 percent returned booklets. And the issue——

Ms. NORTON. Let me ask Mr. Grier if 90 percent District-wide is an unusual figure.

Mr. GRIER. Well, I'll just refer to the District's own counts in which they went out and found about a 10-percent average for students not in attendance at the elementary level. So I just don't understand how those figures track. I don't want to accuse anybody, but enrollments mean jobs, and falling enrollments can mean that people will lose their jobs. And people under those circumstances, very good people, can be forced into doing some things that maybe they don't really like to do. So you always have that problem. It's endemic to school systems that there can be padded enrollments. It's been going on for a long time.

One of the things that New York has that helps enforce this is they got caught a couple of decades ago, and that's why they've got such a good system now. The State really took it out of them.

We have no higher authority here now except the control board. And the control board is the first time in a long time that we've had that higher authority. I hope the control board will take advantage of this opportunity to put in place a system that really will work and that people can depend upon that it will be well-monitored and well-managed.

Ms. NORTON. Well, we have a council. The council has an education committee. I don't know why the council hasn't performed this task. It would be, it seems to me, ready-made for a legislative body to monitor this. And I think it—they would be well-placed to do so, because the District has to, in 4 years, figure out how it demonstrates that, without a control board, it can do everything from count money to count students.

First, let me say to Mr. Wenning, because of the strong efforts you took to count this time, and they were considerably stronger than what had been said in the past, there's a natural, altogether natural tendency to make sure everybody knows that those were good criteria upon which to rely.

The problem I have with the way the school count has been approached over the years, I indicated somewhat in my testimony the absence of all the hypotheses on the table, that the most dangerous one to leave off the table is the possibility of fraud or padding or—that's dangerous to leave off the table.

And it seems to me that the most important thing the school system can do is not to say, here are the tests, waive the tests and waive the other data; that, in fact, I believe you have made progress in finding what to say, but to indicate that that is a hypothesis that anybody would, at this point at least, have to entertain and to indicate an approach to proceeding on that hypothesis, because I'm telling you, it's going to be uncovered. I don't know if it's going to be in this—some explanation, let me put it this way, it is going to be uncovered. I don't know if it will be this year or next year. I don't know if it will be a GAO report or if it will be an investigative report in the city paper. But I know if it comes out that way and not out of the school system, it makes all the difference in the world about how residents receive it and how the Congress receives it.

And I want to say to you that I think that hypothesis is the next one that has to be entertained. The only thing worse than not being able to count is saying to the residents of the District of Columbia, the Washington Post now tells you that there are *x* thousands of people that you've been paying for, and particularly when I think that those people have been on our payroll and taken disproportionately from us in the first place.

My question is: Have you considered the possibility of massive fraud? And have you considered any way to go at eliminating fraud, massive or insignificant?

General BECTON. Mrs. Norton, I will say that we always consider the possibility or people doing illegal, immoral, dumb things. And we certainly, when we uncover them, we will deal with them severely.

Ms. NORTON. What procedures are you using to uncover them? That's my question.

General BECTON. We're trying to hold——

Ms. NORTON. I'm sure that if they popped up in your face, you would do something about them. Let me ask you what you did about the 100 or whatever, or the 18 or whatever number you have found already. What have you done about those? What have you done so that the next parents know that they shouldn't do that? What have you done so that the next school knows that it shouldn't do that? What action has already been taken with respect to the few you have already found?

Mr. WENNING. The nonresidents that have been identified are being processed for tuition enforcement.

Ms. NORTON. Surely you found some nonresidents.

Mr. WENNING. Yes. In fact, the tuition enforcement branch is now currently uncovering 10 per week.

Ms. NORTON. What have you done to expose this fact so that others will know this cannot be done? I mean, the fact that you've gone through your bureaucracy has no deterrent effect upon others who would engage in this fraud and who may, we believe, at least hypothetically, be engaging in it in quite large numbers.

Mr. WENNING. Mrs. Norton, you're right that the previous approach to dealing with nonresidency became mired in our bureaucracy. The new rules are going to expedite it out of our bureaucracy very quickly and will send a very strong message and deterrent that we mean business.

Ms. NORTON. What is the deterrent? That's what I'm getting at.

Mr. WENNING. There will be law suits. They'll go to the courts. They'll have one opportunity for appeal in the D.C. public schools that they are actually a resident and prove it, and after that they will be excluded from school. And the child will not be able to enter the D.C. public schools.

Ms. NORTON. Mr. Wenning, I wish you—let me ask you and Mr. Becton, these folks are not going to court. They're going back to Prince Georges and Montgomery. And unless stern action of some kind is taken, others will hide among the bramble bush.

What I am asking you to do is to indicate, even before you get through your process, what the school system intends to do when it finds people who are illegally attending the D.C. public school system on the D.C. taxpayers' dime? That's what I want you to tell people.

First of all, a whole bunch are going to get out real quick when they hear that you're coming after them. But if all we're doing is saying, here is an appeal and go to court, then, in effect, that's an invitation for people to remain in the school system, very frankly, until they are found, until they are found and put out. Let me see if I can stretch my time out until they get me. And then, of course, I have to go back where I came from, because I'll be darned if I'm going to give them $7,000, which is why I'm over here in the first place freeloading.

I want to know—these folks are on our dime right now. Now, I would not want any child put out of school in March, but we shouldn't have one of those children in Dr. Ackerman's summer school, not one, not a single one. And we certainly shouldn't have a single one of them in September. But if all they think is going to happen is they're going to get put out of school, they're going to reregister. They're in eighth grade, and they're going to come back for the ninth. I'm asking you what you are going to do to make sure that they'll get out, run out as quick as they can before they're caught.

General BECTON. We will enforce the residential requirements once the control board approves them, hopefully in the very near future this will quickly identify who they are. They will not be in the summer school or next year if we can identify them.

What we need is to have some way to get them to pay fines. We don't have that that I'm aware of right now. However, I think the most important thing we can do is to make sure that—you talk about massive fraud. We want to make sure that the principals are doing what they should be doing in the first place. Once we can get them doing what they should be doing, I think the rest of it will fall in place.

Ms. NORTON. Could I ask you to do this, because, obviously, you're talking about what you will do in the future. And this was not done this year.

General BECTON. We've——

Ms. NORTON. Can I ask you to do this, to submit to this committee a document indicating how you intend to deter future illegal enrollment, what specific steps you intend to take to deter specific—specifically the illegal enrollment of children in the D.C. public school system; what penalties you think are appropriate; how you intend to collect tuitions, present and past; for example, if a child has been in the school, and now in the third grade, they owe us for probably preschool on up to the third grade, how you intend to collect that; what additional legislation may be needed from the council; what additional action may be needed from the control board.

We would like—this committee would like a detailed description of how you intend to combat nonresidential student fraud by deterring it and by collecting back taxes for D.C. residents who have been paying for these folks to come in here on D.C. taxpayers' money.

There is a huge resentment of the fact that we cannot tax these folks if they work in the District, and there is at least a reasonable possibility that some of them work here, get out scot-free without any—if this is found out, not by you, if the announcement doesn't come from you, but from the other investigators, you are going to pay the price. So I'm asking you to submit before school is out, and the steps to be taken for summer school, more than the vague answers you've provided us this evening.

Ms. NORTON. Let me just say for the record, because it's in the GAO testimony and the chairman asked, well, you know, give me some of the reasons they would come in here. Elridge's School is a free all-day kindergarten. Let me tell you something. I have a bill in which I'm using the District, which has a national reputation in prekindergarten, I'm using that to try to give the Federal Government to give seed money to the States so that, in the 50 States, we will have prekindergarten, which will get rid of the whole day care controversy. And it will mean that people aren't trying to find out whether the buildings conform to safe standards or whether teachers are certified. And I'm using the District as an indication this can be done, although you've had to cobble together Head Start money. Anyway, you've done a remarkable job there.

Of course, you have kindergartens, and you realize Mississippi was the last State to get kindergarten and only got it in the 1980's. I went to nursery school in a public school in the District of Columbia, Bruce Monroe Nursery School, free; before- and after-school programs at low cost. The GAO said they visited one program for $25 a week, which was an after-school care program. I'll never forget my mother-in-law, an extraordinary mother when I went back to work after my child was born, and my mother-in-law said she wouldn't take any money. So in order to—to soothe our conscience, we gave her $25 a week to take care of our kids. I can understand why this would be attractive. That was considered a token amount then. Imagine what that's considered today when day care is not available, after-school care is almost totally unavailable. The program extended the schooldays to accommodate working parents from 7 a.m. to 6 p.m.

High schools, highly regarded—with highly regarded academic and artistic programs, and some high schools had athletic programs that reportedly attracted scouts from highly rated colleges, students could participate in athletic programs until age 19 compared to 18 in some nearby jurisdictions and other wards.

In other words, I think we actually have some magnets out there, a combination of city employees and good schools, that get very little publicity, that is saying, for all of you comers that are looking for some freeloading, we're not counting, so come on in here.

So, in fact, you help us to look like we've got a large student body. That is the next danger. First is poor counting. That's only incompetence. Next is massive fraud.

But you have to understand that there have been allegations that the school system deliberately kept these figures. I do not believe that. But you've got to go at this, at the three levels in which the allegations are out there, uncover it yourself, put forward your own plan, rather than have it uncovered by others, especially since Mr. Grier's testimony is fairly devastating because he compares you to comparable school systems. And to compare you to New York City, where it's hard to keep track of anything, is to say to us that there's something amiss here.

Now, Dr. Lander, in her testimony, talks about two counts—this is a question for Ms. Blanchette—that the control board thinks that perhaps if two counts were done, there would be greater accuracy, at different points. I would like to—since you're here now, when Dr. Ladner is not, I would like to ask your view of more than one count as one way to go at the first level of concern, which is sheer competence in counting students.

Ms. BLANCHETTE. And I am not familiar with that particular theory. Is that two counts at two different points in time or different students being counted? Is the purpose of the count different?

Ms. NORTON. Two different points in time.

Ms. BLANCHETTE. Well, the school system, as I understand it, for the current school year did a number of, quote, practice counts prior to the counts as of October 30. So if the issue is whether or not some type of rehearsal or some type of looking at the records and purging duplicates and so forth beforehand is a good idea, I believe that was done.

Ms. NORTON. Well, I don't think that's what she was talking about. She was talking about two counts in order to check the—yourself for the other count.

Dr. Grier, do you know whether that is done in other school systems?

Mr. GRIER. Counts at two different times?

Ms. NORTON. Yes.

Mr. GRIER. Well, actually, New York, they sort of count kids every day and keep an updated running total of it. And on any given day, they can tell you how many kids they have.

Ms. BLANCHETTE. Because this is not a physical count, it's a count of the records in the automated system, from one point in time to some other near point in time, the records in the system will not have changed. So I am—I'm not quite sure what the two counts would give you in that respect.

Ms. NORTON. Well, she says the first count will be used to make any resource adjustments resulting in changes in student number since the spring count. The spring count to be conducted in January will be used to develop the budget assumptions for the development and adoption of the school budget for the subsequent fiscal year.

Ms. BLANCHETTE. Mr. Wenning or General Becton can comment on this, but I believe that's the current process, isn't it?

Mr. WENNING. We do a monthly count now using much of the same procedures used for the official count. The reconciliation process is not used every month, however.

Mr. GRIER. A number of school systems do—if I may add, a number of school systems do have a fall and spring count. And there are several reasons for this, sometimes for Federal funding purposes, et cetera. Also they want to know how many kids they're losing during the year because that gives them a track on how many they're losing because they usually do lose during the year. And they want to know how many because it will give them a better way of predicting what they're going to get next fall.

Ms. NORTON. Now you're getting to the point of things. General Becton, we are not funded on a per-pupil funding allocation basis, are we?

General BECTON. No. We're funded based on—our schools and staff are on the number of students we have in the school.

Ms. NORTON. But we don't know the number of the students we have. That's what I'm asking. Are they staffed on the basis of per-pupil basis, on a per-pupil basis so you get a certain amount of funding for each pupil?

General BECTON. In effect, yes, from a conceptual standpoint, because a school of 500 people will have *x* number of teachers. A school of 450 people will have *y* number of teachers.

Ms. NORTON. Let me ask—let me try to reconcile this with what Dr. Grier was reporting. One of the reasons that New York City may go at this so relentlessly is that when they go to Albany, they know that they are simply not going to get money except on an accurate per-pupil basis. Does the District of Columbia fund its schools on the per-pupil basis that is similar to the States or to New York City and New York State in particular? Dr. Grier.

Mr. GRIER. I'm sorry. Does the the District of Columbia fund its schools that way? I do not know. I'm sorry. Ms Norton, I don't know.

Ms. NORTON. I'm told that Congress has mandated this for the next school year, which says to me it isn't done now.

General BECTON. That's what we have. And I think we have mentioned that.

Ms. NORTON. I see. If we go to that, let me tell you what that's going to do. It's going to put it now under an appropriation—it's going to put it now under a real appropriation screen. That's why it's so important to look at it, because if Congress says you must do per-pupil funding in the same way that the States do it, then that makes it a big new Appropriation Subcommittee item. So please be on notice, because I don't think I need to say anything further on that.

Dr. Blanchette, you said you did not visit schools this time. You did before.

Ms. BLANCHETTE. That's correct.

Ms. NORTON. One hypothesis that we're talking about here is there may be padding going on here and there because that's human nature. And if nobody is looking, and people want to look better than they do, somebody may slip and do it that way. What was your point in going to schools before, and why did you not go to them this time?

Ms. BLANCHETTE. Well, we did, at the request of the subcommittee, a full study of the process. And in order to understand how the process was operating, we had to go to the schools. But in the District of Columbia, the process is very much school-based, unlike some other jurisdictions that we visited where there is much more central operation to enroll students and to account for students.

We did not have the time this go-around. It took us last time, to do the field work, about 9 months; another couple of months to issue a report. This time we've spent maybe 6 weeks, a couple of months, looking at—looking at or talking to, virtually, Mr. Wenning and his staff and looking at the documents he provided to see what changes had been made. We did not do a full study of the current process.

[The information referred to follows:]

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DISTRICT OF COLUMBIA PUBLIC SCHOOLS

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MEMORANDUM

TO: Mrs. Arlene Ackerman
Deputy Superintendent/Chief Academic Officer

Ms. Elois Brooks
Deputy Chief Academic Officer

Ms. Janice Barclay
Assistant Superintendent

Ms. Joyce Jamison
Assistant Superintendent

Ms. Helena Jones
Assistant Superintendent

Mr. Ralph Neal
Assistant Superintendent

Dr. Kenneth Whitted
Assistant Superintendent

FROM: Richard J. Wenning
Director

DATE: January 30, 1998

SUBJECT: Accountability for Compliance with Student Enrollment Procedures

As you know, DCPS implemented new procedures for its official enrollment count to address weaknesses in internal controls identified by the General Accounting Office. All principals received written guidance on the new enrollment procedures, as well as follow-up memoranda and e-mail. In addition, nearly all data entry clerks received training on the new procedures. These new procedures resulted in an accurate count that was largely verified by the October administration of the Stanford 9 in which 90 percent of our official enrollment returned test booklets. While the majority of schools complied with enrollment procedures, the noncompliance of a minority of schools, coupled with unregulated student transfers, resulted in a much more difficult, labor intensive, and time consuming process to reach an accurate count.

This memo describes problems encountered during the official enrollment count and identifies schools that failed to adhere to enrollment procedures. Thus far, three principals have received a letter of warning from their respective Assistant Superintendent. To ensure accountability for accurately reporting enrollment, I recommended that additional letters of warning be issued to principals and that compliance with enrollment procedures be a significant factor in principals' annual performance evaluation.

Principals failed to adhere to enrollment procedures in three primary ways: (1) including discrepancies in their schoolwide and homeroom counts; (2) counting duplicate students; (3) counting students as actively enrolled who later were deleted as inactive due to blank residency fields; and (4) failing to obtain residency verification forms from students.

1. Discrepancies in Schools' Enrollment Counts

The 13 schools listed below submitted enrollment counts for their schools that included discrepancies such that the schoolwide count signed by the principal did not agree with the individual homeroom lists signed by teachers and the principal. These discrepancies totaled 351 students.

1. Adams Elementary School (already sent letter of warning)
2. Noyes Elementary School
3. Johnson Junior High School
4. Macfarland Middle School
5. Anacostia Senior High School (already sent letter of warning)
6. Ballou Senior High School
7. Coolidge Senior High School
8. Eastern Senior High School
9. Luke C. Moore Academy Senior High School (already sent letter of warning)
10. M.M. Washington Career Senior High School
11. Phelps Career Senior High School
12. Spingarn Senior High School
13. Wilson Senior High School

2. Duplicate Students Counted

During the reconciliation process, the Department of Educational Accountability identified 133 students who were certified by signature as actively enrolled by two different principals on October 30, 1997. Staff contacted the schools involved to determine where the student was actually enrolled. Following this process, 133 students were cut from the official count. The existence of duplicates in the Student Information System (SIS) is attributable to several factors including inadequate familiarity with proper procedures for transferring students from one school to another, a computer system that lacks internal controls and does not support principals' efforts to keep data clean, and simple negligence on the part of principals.

Procedures for transferring students are often not followed and transfer decisions are essentially unregulated. I strongly recommend that we move to replace the currently decentralized student transfer process with a lottery-based open enrollment system (with neighborhood school preference) that is administered centrally by the Department of Educational Accountability. This will permit effective monitoring as well as measurement of the market share factor in annual school performance reviews.

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While 38 schools had at least one student removed from their enrollment counts as a duplicate, the following 10 schools had 4 or more students removed:

1. Hart Middle School (4 students)
2. Anacostia Senior High School (11 students)
3. Ballou Senior High School (11 students)
4. Eastern Senior High School (4 students)
5. Luke C. Moore Academy Senior High School (4 students)
6. M.M. Washington Career Senior High School (9 students)
7. Phelps Career Senior High School (4 students)
8. Spingarn Senior High School (4 students)
9. Spingarn Stay Senior High School (14 students)
10. Wilson Senior High School (4 students)

3. Counting Students with Blank Residency Codes

DCPS included a new field in the SIS to record whether or not a student had returned his or her residency verification form. The addition of the new field in the SIS allowed identification of inactive students that otherwise would have been counted in the official enrollment as well as students that had not returned their residency verification forms, allowing improved targeting of nonresidents. All residency fields were blank at the beginning of the school year. Written guidance instructed principals that all actively enrolled students needed to have a code in order to be counted. Principals were to enter a code of "P" if a student was actively enrolled but had not returned a form. Before the Department of Educational Accountability removed students from the official count because they had a blank residency field, principals were given the opportunity to claim students with blank residency fields as actively enrolled by providing a written certification. Following this process, the Department of Educational Accountability cut 153 students with blank residency fields that were originally counted by principals in 16 schools. Among these schools, the following 8 schools had 4 or more students removed from the count:

1. Bancroft Elementary School (10 students)
2. Moten Elementary School (11 students)
3. Rudolph Elementary School (6 students)
4. Thomson Elementary School (28 students)
5. Paul Junior High School (5 students)
6. Eastern Senior High School (71 students)
7. Luke C. Moore Academy Senior High School (4 students)
8. Roosevelt Senior High School (6 students)

4. Failure to Obtain Residency Verification Forms

A total of 12,878 students out of our official enrollment of 77,111, or 16.7 percent, have failed to return their residency verification forms, according to data input by schools in the SIS. While the majority of schools had some students that failed to return residency verification forms, a smaller number of schools had high percentages of students that failed to return forms. Some of these schools may have significant numbers of nonresident students. In other schools, failure to return residency verification forms may be attributable largely to uncooperative resident parents or students. As you know, the proposed amendments to the rules governing the admission and registration of students and the establishment of District residency will provide DCPS with a greatly enhanced posture for tuition enforcement. These rules will require all students to provide copies of specific proofs of residency together with their completed residency verification forms and permit principals to exclude students for failure to return their forms. A next step will be to provide the tuition enforcement office with a list of names suspected as being nonresidents based on current enrollment information.

In the following 18 elementary schools, 20 percent or more of students enrolled failed to return residency forms:

1. Adams Elementary School (22%)
2. Beers Elementary School (20%)
3. Brent Elementary School (29%)
4. Brookland Elementary School (39%)
5. Bunker Hill Elementary School (20%)
6. Clark Elementary School (38%)
7. Gibbs Elementary School (46%)
8. Hendley Lotus School-Within-School Charter Elementary School (24%)
9. Langdon Elementary School (39%)
10. Mann Elementary School (67%)
11. Bruce-Monroe Elementary School (50%)
12. Ross Elementary School (42%)
13. Stevens Elementary School (31%)
14. Thomson Elementary School (53%)
15. Truesdell Elementary School (22%)
16. Watkins Elementary School (35%)
17. Wheatley Elementary School (21%)
18. Young Elementary School (24%)

In the following 10 middle schools, junior high schools, and educational centers, 20 percent or more of students enrolled failed to return residency forms:

1. Backus Middle School (45%)
2. Browne Junior High School (27%)
3. Fletcher Johnson Educational Center (40%)
4. P.R. Harris Educational Center (21%)
5. Kramer Middle School (31%)
6. MacFarland Middle School (51%)
7. Paul Junior High School (60%)
8. Roper Middle School (22%)
9. Sousa Middle School (26%)
10. Sharpe Health School (38%)

In the following 16 senior high schools and alternative schools, 20 percent or more of students enrolled failed to return residency forms:

1. Academy Senior High School (95%)
2. Anacostia Senior High School (68%)
3. Armstrong Career Diversion School (28%)
4. Ballou Senior High School (70%)
5. Bell Multicultural Senior High School (31%)
6. Cardozo Senior High School (37%)
7. Dunbar Senior High School (35%)
8. Dunbar Pre-Engineering School (37%)
9. Ellington School of the Arts (53%)
10. Hamilton Academy (33%)

Ms. NORTON. If you had gone, could you have detected whether there was padding, if you had gone to schools, individual school sites?

Ms. BLANCHETTE. Well, when we did visit the schools, what we did was looked at what types of documents were being collected from students, how they were being accounted for, filed. And as we reported in our August 1997 report, we found a lot of variation in what was being collected, how it was being maintained in the school, anywhere from proofs of residency were being thrown into a file drawer and not even linked to a particular student, which on the surface at a minimum is very foolish, and the worst case scenario could indicate worse problems, to situations where proofs of residency were collected, attached to residency verification forms, and actually forwarded to the central office, which was more than what was required.

So we found a lot of variation. We didn't find much control or monitoring or, even when there was monitoring from the central office, any result of that monitoring. No reports that we saw from the central office reported any kind of incidences like the ones we saw. And so there are things that certainly were questionable and at best indicated mismanagement and some degree of—to say foolishness, things that didn't make sense. But whether we would characterize any of those as fraud, we could not do that. We did not do the work that would allow us to make that assessment.

Mr. GRIER. May I interject something, Ms. Norton? I said New York City has an automated system, and it's a beauty, but they don't trust that automatic system. I mean that. I don't want to leave the impression that they take that for granted. They don't trust it. The enrollments are counted in the beginning of October. It takes them 6 months before they will certify those enrollments as having been thoroughly audited. It takes them 6 months to go through the whole system and check out and see whether those kids are really there. So we have a problem because they want out projections for next year before we can get the data with which to prepare these projections. We're saying "You've got to get your guys working faster." But it takes them a full 6 months. And I think it's worth it. And we're constantly getting beat upon, you know, Why don't you have next enrollments ready? But the fact is it's worth it. Because it makes sure the numbers are right. In the long run, it's better. But it isn't easy. They have to check out everything.

Ms. NORTON. Yes, General Becton.

General BECTON. I would like for Rich to describe a document which he sent to all our academicians, subject: accountability for compliance with student enrollment procedures, dated January 30.

Mr. WENNING. Thanks. And I would like to submit this for the record as well.

This memorandum describes irregularities in the enrollment procedures by principals to allow for accountability for the results.

And I would like to speak to the issue of suspected fraud. Indeed, fraud is something we have to be concerned about and we have to be vigilant for. However, the errors that I saw in the enrollment process did not suggest fraud to me. In many cases, it was negligence. And, you know, when we speak to the need to change the organizational culture, we're on our way to doing that. This memorandum identifies schools who had discrepancies in their counts, instances of two principals signing for the same student, principals counting students that were not active in their schools. And this memorandum specifies those schools. It also specifies those schools with the high percentages of nonreturn of residency. So this is one vehicle where we cannot have——

Ms. NORTON. Mr. Wenning, can I ask you a question. I thought you said—when Chairman Davis asked you how many students were in the school, you replied that 77,000 whatever in the school.

Mr. WENNING. Correct.

Ms. NORTON. You're now saying you don't trust the figures because of errors you think were in those figures.

Mr. WENNING. That is not the implication of my statement. This summarizes how we purge students from the counts claimed by principals before arriving at that final number. We spent 1 month for 77,000 students. Now, George Grier just described New York City's approach for 6 months for 1 million students. We spent 1 month reconciling these data, checking the numbers signed by each of the teachers and each of the principals, and matching them against an automated data base, painstakingly by hand. And through that we eliminated duplicate students and inactive students and identified the schools that committed the discrepancies.

Ms. NORTON. You see, therefore, why I'm more interested in the fraud than I am in the count. It's not that I don't think there is miscounting, but we're still left with this discrepancy. We're still left with this discrepancy that's way out of kilter with other jurisdictions. And we're still left with no explanation.

And you keep saying, hey, look we got you a real good count here, GAO notwithstanding. Well, you've got a real good count, and you've got to come up with an alternative hypothesis for the discrepancy. And again, I don't know, but that's how scientists do everything. They don't know, but they pull out of their brain all of the things they can think of that it could be. Then they test those hypotheses. And that's what you've got to do.

Mr. WENNING. Ms. Norton, if I might add, Mr. Grier presents data about other jurisdictions. That data he presented was based on the D.C. Public Schools 1989–90 enrollment count. With its current data——

Ms. NORTON. It was census that—what he did was—what he did was precisely the way to try—the best means available. And it was not 1997. But one of the problems we are afflicted with here is that these figures haven't changed much over the years. What he did was absolutely the best way, if you don't know, to try to—to see if your system may have some flaws in it. He took census figures, and he looked at census figures and compared those with school figures. And he said—and then he said, how much are they supposed to be off, because they're certainly supposed to be off some amount. Then he says they're supposed to off if you look in this range. And he said the District of Columbia is way off. If you're saying to me that's the way it used to be in 1990, but it's not in 1997, then——

Mr. WENNING. That's correct. And when I reconcile Mr. Grier's data against our enrollment count, I get a discrepancy of 4,839 students, which is the basis for the estimate of nonresident students.

We've gone through Mr. Grier's data, his current data, and we come up with a discrepancy indeed. And we find interesting discrepancies at the early grades which suggest a larger number of nonresidents in those grades.

Ms. NORTON. Well 4,000 whatever would be a shocking number, but it's—you know, it's less than 8,000 or 10,000. What I am interested in is where the children are. I'm interested in where the flight has been in the city. And I'm interested in the stability of that figure. Everybody knows there's children on the other side of the Anacostia. And everybody knows the other side of the Anacostia has been cleaned out, depopulated. That is not too strong a figure. What's lost most is ward 7. Ward 8 was depopulated before then, and yet that's where most of the children are, because what's left in the District of Columbia are old people, that's really what you're talking about, and childless people.

So now if where all the children are is where most of the population has gone, you still have not made me understand that Dr. Grier's comparison should not obtain today, because I will say that the precipitous loss in population since 1990 indicates that somehow you have something miraculous happening in the District of Columbia, and that even though, in annual totals, we see huge precipitous, huge, poor people getting out of Dodge, everybody getting out of Dodge, that's why I have a tax bill in here. I'm scared to death. Huge discrepancies. But the school system remains the same it is. It's possible. It is possible. But you have given us no hypothesis to indicate why that should be so in the face of Dr. Grier's analysis and in the face of the population decline that has been so horrendous in the 1990's except that there may be people coming in and using our school system. That's a possible hypothesis. If that's the case, I want you to really get on that one quick before somebody else does, and then you get blamed for it, and we always get punished for it.

General BECTON. The count that we used are the ones I've already counted, and that's why we obviously differ.

Mr. WENNING. This is a table showing DCPS official enrollment from 1990 to 1997, which I would also like to introduce into the record. It does show the decline in enrollment.

Mr. WENNING. The decline in enrollment reported from last year to this year is the largest decline in enrollment ever reported by the D.C. Public Schools. Granted it was 2 percent.

Ms. NORTON. It's almost statistically insignificant. The figure from last year—the figure, I have it in my opening statement.

Mr. WENNING. Last year was 78,648 compared to 77,111 this year.

Ms. NORTON. You believe that's a true figure.

Mr. WENNING. I can't speak to the veracity of last year's figure, but I do believe this year's figure is a true figure, yes.

Ms. NORTON. If last year's figure is false, we couldn't do anything about this year's, because you'd be comparing—even if you compare a true figure to a false figure, we give you a false figure.

Dr. Grier, what is your view of the 4,000 whatever figure, almost 5,000 figure he just gave us?

Mr. GRIER. Well, Mr. Wenning and I have discussed this. And it's possible to look at these figures a number of ways. And I have concluded, after looking at them for quite a bit, that I couldn't identify any specific number that would be—you know, that would indicate any possible overcount or kids filling the schools because they come from someplace else.

I think the records are so faulty, the whole system is so full of holes, that it's impossible for anyone to know at this point how many kids the District really has or how many it had last year. We'll never know how many it had last year.

Ms. NORTON. Dr. Blanchette, what is your view of the revised rule that the board of trustees issued for verifying residency?

Ms. BLANCHETTE. Well, I think it's truly important that there be proofs of residency beyond the forms signed by parents or guardians. And for school year 1997–98, that form signed by a parent or guardian was the only, quote, proof. So if this revised ruling brings about a situation whereby principals require families to present proofs of residency, and three is certainly a sizable number, then we're in a better situation. I never quite understood why principals couldn't have been directed to do that previously. The rule did allow some latitude, but there was nothing in the previous rules that precluded proofs of residency.

Ms. NORTON. Why wasn't that done this year, Mr. Wenning?

Mr. WENNING. Let me——

Ms. NORTON. Yeah, I mean, some of these things are so obvious. Like, you know, it made me cry when I heard that one of the things that the school system was using was churches. Anybody that goes to a D.C. church knows that we are lucky to have people come back to the home church, because they're all coming back from Maryland or Virginia or our churches wouldn't have anybody in them. And yet that was what was being used.

Why weren't people—I mean, General Becton, when he first came, I remember you said you were going to use tax stuff and whatever to find out who were really in the schools. And, yet, frankly, at the hearing where Senator Jeffords invited me to sit in with him, this rule that the—of the board of trustees had been on paper for a year, and nothing had been done with it. I always say, well, why is this rule at least not being used? But with the GAO breathing down your neck, with Congress every year coming in to try to catch you, got you, we don't understand the delay in carrying out some of these obvious—some of these obvious ways to fix the system.

Mr. WENNING. The rule you speak of, which was the revised rule, was changed significantly following the GAO report. The current rule is the rule we operate under. And we're not able to change the proofs required under the rule.

Now, it has been suggested by GAO that we could have enforced the rule differently, and I think that's true. However, let's think about the implications of that. We are changing the rules on residency, now requiring the finite list of proofs for all enrolled students to supply. If we had begun enforcing the rule differently, then we would have changed the rules several months later on what proofs are required. Collecting three proofs from 77,000 students is going to be one daunting task. To have started it as a false start under a different rule simply would not have been practical.

Ms. NORTON. In January, when I was on the Senate panel with Senator Jeffords, this rule had been lying there since February, the prior February. That was the date on it. It was a big controversy at that hearing. And yet apparently this rule, the emergency board approved last Thursday new regulations that will strengthen considerably the school system's residency verification capability.

What is even doing—what have the board of trustees been doing for the period since they've been appointed? This is something that parents have screamed about in this town. This was lying there unenforced last Thursday. I mean, this—the delay is what is going to kill us on this one. That is why—I hope you hear me—by the end of the year, what this would amount to is an action plan to go into effect beginning with the summer school.

They will be way over into the summer school. Let me tell you why. Because Dr. Ackerman is going to have things in the afternoon funded privately that will take kids to museums and parks. Oh, they're going to be over here for the summer school. So we want an action plan submitted to this committee before summer school that addresses how you will verify residency to get into the summer school and how you will address all the questions that we have raised, some of which I have previously indicated in this hearing, so that, in September, you will be able to say, yeah, we know it's a humongous task. That's not nearly as humongous as being a taxpayer in the District of Columbia and paying somebody else's kid to come in here while everybody else is getting out of Dodge. You've got it now. You've got your own rules.

The Chairman has suggested, and I heartily endorse his suggestion, indeed I ask for the District of Columbia and D.C. Public Schools to do this right down the line, find yourself a jurisdiction. There's always some in the United States that have done what you are having to do from the ground up. Do not do it from the ground up. Take theirs off the shelf and simply use it. If you do that here, yeah, there will be glitches. I don't have a problem with glitches. I have a problem with a year's delay in implementing regulations that were passed February a year ago. I have problems with that. We have the document before us. I have problems with that. I have problems with the fact that these were just passed last Thursday. I have got problems with that. And we simply can't let this go on, or else the city is going to have hell to pay, which is really the kids, because somebody is going to get into your appropriation. And somebody is going to say—so be warned. They're going to say that the District can't pay something, can't spend money for X, Y, or Z, until they do something about the count. That's why I say get it in here before summer school so that you are ahead of the sheriff. The sheriffs are over here.

General BECTON. Mrs. Norton, may I make a response to your question about what we have been doing?

Ms. NORTON. Please, go ahead, General Becton.

General BECTON. You made reference to a document from February of last year. That document was never approved by the Board. That document was significantly changed.

Ms. NORTON. That was my point. Why in the world wasn't it approved by the board of trustees? What were they waiting for? All

I'm saying is these delays are what are going to come back to haunt us.

General BECTON. I'm trying to explain how we got to where we are. The document that we——

Ms. NORTON. And I'm complaining about how long it took you to get where you are. The reason I am is because this is a dangerous issue to be out there this long. As I have said before, General Becton, you have moved on it, whereas the people just let it out there for years. So you have made progress. The problem is that, when the Congress holds hearings every year on it at some point, and you have testimony like Dr. Grier's testimony, and we look like we may have a fraud problem, and we don't have a plan to deal with fraud, somebody up here is going to deal with it.

General BECTON. I understand that. And we will have a plan and do have a plan. What we're trying to do is point out we're not going to go back to start zero and reinvent something. We are going to purchase our student information system based upon what other jurisdictions have. We are going to certainly put into effect the necessary mechanisms to hold people accountable.

Ms. NORTON. Are you using the student information system that another jurisdiction is using, or are you using a new virgin student information system?

Mr. WENNING. The new student information system has not been selected.

Ms. NORTON. I know. I'm asking how it's going to be selected.

Mr. WENNING. We'll select it among the best jurisdictions and the best practices.

General BECTON. It's going to be——

Ms. NORTON. All I'm trying to—what I'm trying to avoid here is we've got a new system that takes people, you know, 5 years to learn how to use the new system.

General BECTON. No, that's not the problem.

Ms. NORTON. Is there a system that has worked someplace that we can quickly put into place before this problem becomes—gets dealt with?

General BECTON. That's exactly what we propose to do.

Ms. NORTON. Do you know the cost of this system.

General BECTON. I do not have the cost here with me.

Ms. NORTON. When do you expect the system to be purchased?

General BECTON. Between now and the end of the fiscal year.

Ms. NORTON. Given the fact that your regulations that by summer school and by the school year, September 1998, you've got to get this plan going to bar kids that shouldn't be in the system, have you thought about how to do that on the short term?

General BECTON. Yes, we have.

Ms. NORTON. Go ahead. Would you elaborate then?

General BECTON. Once the control board approves the request that we have made for the new role or residency, that will give us teeth to go out and enforce it. Right now, we don't have that.

Ms. NORTON. When do you expect the control board to approve it.

General BECTON. I would hope within the next week or so.

Ms. NORTON. Mr. Chairman, thank you very much.

Mr. DAVIS. Thank you very much. Just a couple more questions, and we're going to let this panel off.

General Becton, I've heard the media reports that you're trying to get the Corps of Engineers to help with repairs this year, and I don't have a problem with that if it works out. But I want to know what you're doing to get more help from GSA as well. I know the problems last year between the GSA and the control board, but I think with Mrs. Norton's and my assistance, we both sit on the committees that oversee GSA, we can overcome those problems if you're willing to make more use of GSA.

General BECTON. Well, Mr. Chairman, the problem last year with GSA was they required—demanded money up front, which we did not have available to us. With the Corps, and we have not resolved, dotted every "i" and crossed every "t" in an agreement with them yet we have every expectation that they can do exactly what GSA has done, and they have much greater expertise within the corps.

Mr. DAVIS. OK. Thank you.

Just a question for the record: What do you put out as the official per-pupil cost in the D.C. schools? I have seen it expressed differently in a lot of charts.

General BECTON. The cost is $7,318.

Mr. DAVIS. What I would ask for you to do for the record, is for you to submit to this subcommittee under separate cover your documentation for that number.

General BECTON. We will.

Mr. DAVIS. When we compare the region's numbers, this is not the critical factor if you're paying more or less because I think each jurisdiction is different. But I really would like to know, because I see all these charts on what it costs, and in some cases capital costs are included, and in others they aren't included, and it goes back and forth. So if you could just get that to us, it's not a hostile question.

General BECTON. No.

Mr. DAVIS. But the question is one in the interest of this hearing of getting all the numbers together.

General BECTON. Mr. Chairman, we'll be delighted to do that, because we hear the same numbers. We're charged with the same numbers, 10,000 and crazy numbers like that. We will give you the facts.

Mr. DAVIS. Exactly. And it may be 10,000 if you throw a lot of things in. But then are you comparing it to the same variables in other jurisdictions? I think that's the question.

General BECTON. That's correct.

Mr. DAVIS. We just want to know. Even if you spend more, I'm not critical of that. I think education is the most important thing you can do in the city. If we get these things straight, we will get more efficiency.

Second, do we have any idea, for any of you, in terms of how many D.C. residents go to private schools either in the District of Columbia or outside of the District of Columbia?

Mr. WENNING. Yes, we have that. Based on 1996–97 nonpublic count, approximately 12,200 District residents attended private schools in the District of Columbia.

Mr. DAVIS. Now that would not include suburban kids going to school in the District?

Mr. WENNING. Correct.

Mr. DAVIS. It would just be the District of Columbia.

Mr. WENNING. It would be D.C. residents only.

Mr. DAVIS. That's a fairly high percentage, just judging from my experience in Fairfax, where even in affluent areas like Langley High School, the number that are going to private schools was well below what the number was in the city, given your current documentation for number of students you have. That number strikes me as a very high number in private schools compared with the number you have given for public schools. I ask Dr. Grier if you have any reaction to that.

Mr. GRIER. Well, I didn't check that out. The census had a figure for that, too, and I could get you that figure later if you would like.

Mr. DAVIS. That's fine. I just wanted to get it in the record.

[The information referred to follows:]

The 1990 Census found a total of 16,307 District of Columbia residents three years old and older attending private schools below the college level, including 3,425 at the "preprimary" level (kindergarten and earlier) and 12,882 in elementary or high schools. These figures include those attending schools outside the District.

Mr. GRIER. In any event, it does seem quite high.

Mr. DAVIS. This is a fact-finding hearing only. It's not meant to be critical. We want you to succeed and give as much assistance as we can, because we do have an oversight role under the Constitution. We appreciate the efforts that you're making in the testimony here today, and I think it puts us a little closer to understanding where you are, and hopefully we can disseminate some information and ideas, and you can go back and continue to be effective in what you're doing. So I want to thank this panel very much for your contribution today.

Our second panel will consist of Dr. Joyce Ladner, who is a member of the control board; Dr. Bruce MacLaury, who is the chairman of the emergency board of trustees; and the Honorable Wilma Harvey, who is the president of the District of Columbia Board of Education. As they come to the table and we switch the name tags, if you would just remain standing, I will swear you in, because it is this committee's policy that all witnesses be sworn before they testify. That is not the policy in every committee, but because of the investigatory role that this committee plays in Congress, we just apply it to all witnesses.

Thank you again to the previous panel. That was very helpful.

[Witnesses sworn.]

Again, we have a 5-minute rule we try to adhere to so we will have time for questions. We have read the statements; our staffs have read them. We have a set of questions, but I would like you to take up to 5 minutes to highlight what you would like to highlight. Then during the question and answer period, if at the end of it you wanted to add something and did not get it in, kind of raise your hand and we will give you an opportunity.

But we want to move this along and try to have the meeting over in the next hour. That should give us plenty of time for questions. Let me start with Dr. Ladner, and then to Bruce MacLaury, and then to Wilma Harvey, and then we will move to questions.

STATEMENTS OF JOYCE LADNER, MEMBER, DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY, DISTRICT OF COLUMBIA; BRUCE K. MacLAURY, CHAIRMAN, EMERGENCY TRANSITIONAL EDUCATION BOARD OF TRUSTEES, DISTRICT OF COLUMBIA; AND WILMA HARVEY, PRESIDENT OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Ms. LADNER. Good afternoon. I appreciate the opportunity, Mr. Chairman and members of the committee, to testify on the D.C. public schools' student count. The District of Columbia Financial Management Assistance Authority October 1996 report entitled, "Children in Crisis: A Failure of the D.C. Public Schools" states, "one of the most serious data problems is the lack of credible information on the number of students."

Questions about the accuracy and reliability of student count information led to the passage of the District of Columbia School Reform Act of 1995. That act requires that no later than October 15 of each year, schools must calculate the number of students, including nonresident students, enrolled in each grade from K through 12 and public charter schools, and enrolled in preschool, pre-K, and adult education, and the amount of tuition assessed and currently collected from nonresident students attending D.C. public schools.

The act also requires that the schools submit, not later than October 15, a summary of the most recent enrollment calculations to the authority, the Mayor, the Council of the District of Columbia, the Census Commission, the Comptroller General of the United States, and appropriate congressional committees. The act requires the schools to arrange with the authority to conduct this independent audit of the initial calculations.

Although the act required the report to be issued to the authority by October 15, the official enrollment count was not conducted until November 4, 1997, because the opening of the schools was delayed. The authority received the enrollment information on December 15, 1997. On January 20, 1998, the authority issued a request for proposals for potential vendors to conduct the independent audit of the calculation of the student count. Unfortunately, the authority only received one proposal whose costs, in our opinion, were prohibitive.

The authority therefore reissued the request for proposals. The second request for proposals generated two responses. Two bids offered substantially different approaches to the request. The authority sought the informal advice of the GAO. Based upon that advice and our own analysis of the proposals, we asked each of the bidders for a best-and-final-offer to reflect an agreed upon approach to conducting the independent audit. The authority evaluated those proposals and recently awarded the contract. The independent audit is expected to be completed by May 1, 1998.

The authority expects that the independent audit will assist the schools to improve the student count process in the 1998–99 school year and to increase the degree of reliance that you and the community can place on the count in making resource allocation decisions. The Authority is committed to ensuring that any weaknesses identified by the independent audit will be corrected.

In addition to the independent audit, the Authority will recommend that the D.C. public schools conduct two student counts during the 1998–99 school year: one in the fall, when schools open for the fall semester; one in the beginning of the spring semester. Many school districts in fact conduct more than one student count.

Two student enrollment counts conducted during the school year will provide a better basis for ensuring the accuracy of student counts and restoring public confidence in the calculation of D.C. public schools of student enrollment. The two counts will also provide more timely, accurate and reliable student information for use in program planning and resource allocation.

The first count will be used to make any resource adjustments resulting in changes in the student number since the spring count. The spring count, to be conducted in January, will be used to develop the budget assumptions for the development and adoption of the school budget for the subsequent fiscal year.

When D.C. public schools conduct two student counts, the Authority will recommend that the act be amended to require an independent audit after the second student count is conducted. The independent audit will serve as a final check and monitoring tool over the student count process. The proposed increase in the number of student counts will greatly increase the reliability of the student count numbers, and it will address the concerns about the accuracy of the student count.

Mr. Chairman, this concludes the overview of my testimony. I will be happy to respond to any questions that you may have.

[The prepared statement of Ms. Ladner follows:]

Mr. Chairman and Members of the Subcommittee:

I am Dr. Joyce Ladner. I am a Member of the District of Columbia Financial Responsibility and Management Assistance Authority ("Authority"), and I am the Board Member with lead responsibility for public education in the District of Columbia. I appreciate the opportunity to testify on the D.C. Public Schools' student count.

For many years, the number of students who attend the District's public schools has been in question. The persistent questions and concerns about the student count were among the reasons the Authority took aggressive action to change the governance structure and management of the District of Columbia Public Schools. Our October 1996 report entitled, Children in Crisis: A Failure of the D.C. Public Schools, states "one of the most serious data problems is the lack of credible information on the number of students."

Introduction

Having an accurate student count will contribute to restoring confidence and credibility in the management of the D.C. Public Schools. The Authority is committed to that goal and ensuring that the public schools achieve tangible improvements in the education of our children. As the public schools move to increase accountability at the local school level, the accuracy of the student count becomes even more important. At the urging of the Authority, the D.C. Public Schools are moving toward the development of school based budgets, which will identify the staffing and resource requirements of each local school. The student count will be used to determine the equitable allocation of resources to that local school. If the schools cannot substantiate those numbers, then the local school may not obtain the appropriate allocation of resources needed to support the programs aimed at improving the educational achievement of students.

As the Authority and others have reported previously, the District of Columbia Public Schools need to improve the methodology used to count the number of students who attend school. The General Accounting Office, the District of Columbia Auditor, and independent sources have raised questions concerning the accuracy of the count and have identified specific problems which raised doubts about the accuracy of previously conducted counts. The problems with previously conducted counts have included the number of non-tuition-paying students living outside the District, the uncertainty about lack of oversight by the central administration over local schools' counting procedures, uncertainty about the way information is collected, controlled, and recorded in the Student Information System ("SIS"), and controls over the handling of transfer and returning student records. Although the schools have made changes to the enrollment count process, weaknesses in the student count process still remain. For example, the schools have not identified the number of students who live outside the District, attend District schools, and who do not pay tuition. Nor have they improved the methodology for tracking transfer and returning students. The independent audit will ensure that continuous progress is made in improving the student count procedures and determining the accuracy and reliability of the student count.

Statutory Requirements

Questions about the accuracy and reliability of student count information led to the passage of the "District of Columbia School Reform Act of 1995" ("Act"). The Act requires that, no later than October 15 of each year, the schools must calculate the number of students, including non-resident students, enrolled in each grade from kindergarten through grade 12 in public schools and public charter schools, and enrolled in pre-school, pre-kindergarten, and adult education, and the amount of tuition assessed and currently collected from non-resident students attending D.C. Public Schools. The Act also requires that the schools submit, not later than October 15th, a summary of the most recent enrollment calculations to the Authority, the Mayor, the Council of the District of Columbia, the Census Commission, the Comptroller General of the United States, and the appropriate congressional committees. The Act requires the schools to arrange with the Authority to conduct an independent audit of the initial calculations. The independent audit must include an opinion as to the accuracy of the information, and an identification of any material weaknesses in the systems, procedures, or methodology used in determining the number of students and in assessing and collecting fees and tuition from non-resident students.

The Authority is required, not later than 45 days, or as soon thereafter as is practicable, after the date on which the Authority receives the initial annual report from the schools, to submit the independent audit to the schools, the Mayor, the Council of the District of Columbia, and the appropriate congressional committees. The cost of the audit is to be borne by the schools.

Authority Compliance with Statutory Requirements

Although the Act required the report to be issued to the Authority by October 15th, the official enrollment count was not conducted until November 4, 1997, because the opening of the schools was delayed. The Authority received the enrollment report on December 15, 1997. On January 20th, 1998, the Authority issued a request for proposals for potential vendors to conduct the independent audit of the calculation of the student count. Unfortunately, the Authority only received one proposal, whose costs, in our opinion, were prohibitive.

The Authority, therefore, re-issued the request for proposals. The second request for proposals generated two responses. The two bids offered substantially different approaches to the request. The Authority sought the informal advice of the General Accounting Office. Based upon that advice, and our own analysis of the proposals, we asked each of the bidders for a best-and-final-offer to reflect an agreed upon approach to conducting the independent audit. The Authority evaluated those proposals and recently awarded the contract. The independent audit is expected to be completed by May 1, 1998.

The Authority expects that the independent audit will assist the schools to improve the student count process for the 1998-1999 school year and to increase the degree of reliance that you and the community can place on the count in making resource allocation decisions. The Authority is committed to ensuring that any weaknesses identified by the independent audit will be corrected.

Recommended Improvement in the Student Count

In addition to the independent audit, the Authority will recommend that the D.C. Public Schools conduct two student counts during the 1998-1999 school year, one in the fall, when school opens for the fall semester, and one in the beginning of the spring semester. Many school districts, in fact, conduct more than one student count. Two student enrollment counts, conducted during the school year, will provide a better basis for ensuring the accuracy of the student counts and restoring public confidence in the calculation of D.C. Public Schools of student enrollment. The two student counts will also provide more timely, accurate and reliable student information for use in program planning and resource allocation. The first count will be used to make any resource adjustments resulting in changes in the student number since the spring count. The spring count, to be conducted in January, will be used to develop the budget assumptions for the development and adoption of the school budget for the subsequent fiscal year. When the D.C. Public Schools conducts two student counts, the Authority will recommend that the Act be amended to require an independent audit after the second student count is conducted. The independent audit will serve as a final check and monitoring tool over the student count process. The proposed increase in the number of student counts will greatly increase the reliability of the student count numbers and it will address the concerns about the accuracy of the student count.

The Authority appreciates the opportunity to report on our efforts to meet the requirements of the Act. This concludes my written testimony. I will be happy to respond to any questions that the Subcommittee wishes to ask.

Mr. DAVIS. Ms. Ladner, thank you very much. Even your yellow light didn't go on. That is great.

Mr. MacLaury, that doesn't mean you have to use her extra time, but take a few extra minutes.

Ms. LADNER. I was going to say as a sociologist, there were a lot of points made by the last panel that I, having had a lot of training in demography, wish I could attack.

Mr. DAVIS. This is just a fact-finding area. We are not trying to be critical of anybody but we have got to ask questions.

Ms. LADNER. Not attack but serve to tackle, because the District does have a lot of peculiarities that other systems don't have.

Mr. DAVIS. The biggest problem, frankly, is just getting the information to make the right decisions. If you can't get the right information, you can't make the right decisions.

Dr. MacLaury.

Mr. MACLAURY. Mr. Chairman, thank you very much. In fact I take Dr. Ladner's brevity as a standard to be surpassed and so therefore, if it is all right with you, I would like to submit my testimony for the record and much of what is in it, you have already heard from the first panel. Therefore, I will not go through my current testimony.

It seems to me that what you should be wanting and what we should be wanting is an accurate count. The question is how do we get there, not how do we explain why it isn't. As I was listening to the first panel, I made the following small list of actions that need to be taken.

First, we need that new student information system that General Becton said was going to be ordered this current fiscal year. We can't count things by hand. We have to have an information system that allows us to do a lot of things, but specifically including enrollment.

Second and most importantly, proof of residency. From my understanding, that is the issue where the biggest discrepancy lies. It is not in the total count. It is how you define the people to be counted. Therefore, proof of residency is critical.

Third, we must hold principals accountable. We can say that 'till the cows come home but if we don't do it and act upon it, as Mr. Grier said, it has happened in New York City, it will all be hot air and nothing more.

Fourth, we need audits, not just the enrollment count but independent audits throughout the year to make sure that the principals are adhering to the policies. So I would emphasize both internal audit, we have to do that as any corporation would, have our own internal surprise audits, but we also need external audit as Dr. Ladner has just indicated.

I would emphasize that we need more than an audit of the processes. We have had audits of processes. I think—I know it is expensive, it is very expensive. But the trustees, for one, would like to have an external audit of the number, not just the processes.

Last, as General Becton indicated, I think that we should be moving toward a minimum of some centralization of the enrollment count, not relying entirely upon the principals as we have done up until now.

Those are the five points that I think will make quite a difference in the accuracy and the confidence in the numbers that we have. I will leave it at that for now, Mr. Chairman.

[The prepared statement of Mr. MacLaury follows:]

Testimony of Bruce K. MacLaury
Chairman
Emergency Transitional Education Board of Trustees
before the
Subcommittee on the District of Columbia
Committee on Government Reform and Oversight
United States House of Representatives
March 13, 1998

Mr. Chairman and members of the Subcommittee:

For any public institution, nothing erodes confidence more than the feeling that numbers have been manipulated. Since assuming responsibility for the DC Public Schools in November, 1996, Gen. Becton and the Emergency Trustees have worked hard to assure integrity in personnel, finance, facilities, and academic operations - not only to serve children better, but also to restore public trust in this school system.

The enrollment question has been around a long time, and it's hard to settle. People want to know the bottom line - but the bottom line is the product of intricate and sometimes arcane processes.

I believe that DCPS has made a serious attempt to improve those processes this year. The numbers you have heard are based on bottom-up, school-by-school, cross-referenced reporting. Unless someone can produce a different number - based on hard data rather than mathematical inference - I am prepared to accept Mr. Wenning's overall figures.

But in addition to questions of definition -- for example, our count includes preschoolers and students over the age of 18 -- it is quite true that among the count of 77,111 students in District schools, some number do not belong there. We are apparently educating, free of charge, several thousand students who are properly the responsibility of other jurisdictions. At a time when the entire city is undergoing budget austerity, when our plans for academic renewal require an increase of more than $70 million in the budget level requested for FY99, we simply cannot afford unintentional largesse. We have to do a better job of verifying that children in our classes are legally entitled to be there.

In part, this is a matter of better enforcement. That's why the Emergency Board approved last Thursday new regulations that will strengthen considerably the school system's residency verification capability.

Under municipal regulations dating back to 1977, DC Public Schools have been in an embarrassingly weak position regarding tuition enforcement Parents were supposed to provide a District address and phone number – but the rules said simply that principals "may require" actual evidence of residency

And some of that "evidence" included such meaningless items as "maintenance of a bank account or local credit account in the District of Columbia" and "membership in a church or other local organization operating in the District of Columbia" Under these rules, a child whose parents live in Anchorage could prove eligible for tuition-free attendance in DC public schools

Moreover, by spelling out an elaborate and time-consuming appeals process, the old rules virtually invited litigation and delaying tactics

By the action taken last week, now awaiting approval by the Control Board, the Trustees have given General Becton the tools he needs to resolve this situation Specifically

- Principals shall require submission of at least three documents indicating DC residency in order to determine if students are eligible to enroll
- Principals may also demand verification for currently-enrolled students
- Residency can only be established by hard evidence such as proof of tax payment, documentation of public assistance, or utility bills showing the parent's name
- Requests for reconsideration must be filed within ten days, and will be handled through an expedited review

(With your permission, I am submitting for the record the Notice of Final Rulemaking as approved and forwarded to the Control Board)

Mr Chairman, this is not a simple issue During the rulemaking process we heard from advocates for the homeless and multicultural communities about the need for fairness and sensitivity in establishing legal eligibility for schooling We tried to take those comments into account in the final version We also heard from others that even sterner measures should have been taken Rest assured that we will monitor implementation to see that these rules are both effective and even-handed

But action was clearly necessary We have heard far too many stories about cars with Maryland and Virginia license plates driving up to DC schools At a time when we've had to begin closing undersubscribed schools, we've also heard of principals who looked the other way so that out-of-District students would boost their enrollment Frankly, the old Board rules left plenty of room to maneuver

I believe that we need to go beyond the important issue of enforcement to examine some of the policies that may attract non-residents to DC schools.

On the face of it, there's an anomaly when Emergency Trustees, brought in to transform a school system in crisis, have to worry about non-resident freeloaders! In part, this phenomenon simply reflects the fact that consumers think we have some pretty effective schools in the District. That's certainly good news.

On the other hand, our school system offers what can only be described as inducements for non-residents to sneak their children across the District line. The *Mills* decree, under which the District operates, demands evaluation and placement of special education students in only 50 days – the shortest such timeline in the country and far shorter than the time allowed in other area school districts. On the 51st day, this court ruling mandates private placement of students who cannot be served within the DC public school system. The average cost of these placements now exceeds $39,000 per student. In my view, this situation makes it entirely possible that some parents in neighboring jurisdictions are using this system to get what their own county and state will not provide.

And unlike our neighbors, the District also offers free, all-day prekindergarten. The educational merits of such a program are worth debating – but many nonresidents probably accept our generosity as free daycare.

At a minimum, we need to target our enforcement efforts on schools and programs that probably account for a large portion of our non-resident enrollment.

The new regulations make clear what is expected across the whole city. Together with the new evaluation systems put in place this year by Mrs. Ackerman, they will make principals clearly accountable for verifying enrollment. While I do not expect to see a sudden surge in out-of-District tuition payments, better residency enforcement may well save millions in teacher salaries and textbook costs.

I look forward to your questions.

AWAITING CONTROL BOARD ACTION

DISTRICT OF COLUMBIA

EMERGENCY TRANSITIONAL EDUCATION BOARD OF TRUSTEES

NOTICE OF FINAL RULEMAKING

The District of Columbia Emergency Transitional Education Board of Trustees ("Trustees"), pursuant to the authority set forth in Section 31-101 et seq. of the D.C. Code and the February 12, 1998, order of the District of Columbia Financial Responsibility and Management Assistance Authority ("Authority"), hereby gives notice of final rulemaking action taken by the Trustees at their meeting held on March 5, 1998. The purpose of this rulemaking action is to amend portions of Chapter 20 of Title 5 of the D.C. Municipal Regulations regarding proofs of residency required of D.C. Public School students. This rulemaking will go into effect following a seven-day review by the Authority.

Notice of proposed rulemaking on this subject was published on December 12, 1997. Minor modifications were made based on comments received on the proposed rulemaking.

Amend Section 2000.2 as follows:

2000.2 A student under eighteen (18) years of age who is otherwise eligible for admission to a D.C. public school shall be admitted, and may continue enrollment, without payment of non-resident tuition only if the student qualifies for free instruction under one of the following categories:

(a) A student who is in the custody or control of a parent or court-appointed guardian (or custodian) who is a resident of the District of Columbia;

(b) A student who is a resident of the District of Columbia and who does not have a living parent or guardian;

(c) A student who is a ward of the District of Columbia, even if the student resides outside the District of Columbia;

(d) A student who is living with his or her spouse, when the spouse is eighteen (18) years of age or older and is a resident of the District of Columbia; or

(e) A student who has been granted an exemption from the requirement to pay tuition by the Board of Trustees pursuant to the provisions of D.C. Code 31-602(d).

Amend Sections 2002.10 as follows:

2002.10(a) The Principal or other person responsible for admission and enrollment procedures shall require the submission of at least three (3) documents indicating District of Columbia residency as defined in section 2099, in order to determine whether the student is eligible to attend a D.C. public school or program without payment of non-resident tuition, pursuant to the provisions of section 2000.2 and 2000.3.

(b) The principal or other person responsible for admission and enrollment procedures has the discretion to require, upon demand, the parent, court-appointed guardian or custodian to provide verification of District of Columbia residency for both current and initially enrolling children/adult students.

(c) The documents that shall be accepted for verification of residency for current D.C. Public School students shall be the same indicators of residency required to be submitted for a child/adult initially seeking admission to a D.C. public school.

(d) The parent, court-appointed guardian or custodian shall have ten (10) school days to provide the indicators of residency requested. If the required information is not provided in the requested time period, which can be extended at the discretion of the Superintendent or the Superintendent's designee, arrangements must be made to enroll as a non-resident student and pay all non-resident tuition, as set forth in Section 2007.

(e) Failure to provide the requested information or pay the required tuition will result in exclusion from D.C. Public Schools, subject to the tuition waiver authority provided in Section 2000.2(e) above.

Amend Section 2002.11 as follows:

2002.11 District of Columbia residency shall be established through the use of satisfactory documentation as follows:

(a) Three (3) or more of the following items shall be required to establish District of Columbia residency:

(1) Proof of payment of D.C. personal income tax for period closest in time to the consideration of District of Columbia residency;

(2) A current (issued less than forty-five (45) days prior to consideration of residency) tax withholding statement which contains the parent's or guardian's name and evidence of District of Columbia residency;

(3) A vehicle registration showing the parent's or guardian's name and evidencing District of Columbia residency;

(4) Official documentation of financial assistance from the District Government including, but not limited to, Aid to Families with Dependent Children (AFDC), housing assistance, etc.

(5) Title to residential property in the District of Columbia, or a valid, unexpired lease agreement and paid receipts or canceled checks (for a period within the two (2) months immediately preceding consideration of residency) for payment of rent on a District residence in which applicant actually resides;

(6) A valid, unexpired D.C. Motor Vehicle Operator's Permit, or non-driver's identification;

(7) Maintenance of District of Columbia voter registration;

(8) One (1) or more utility bills, and paid receipts or canceled checks (from a period within the two (2) months immediately preceding consideration of residency), showing the parent's or guardian's name and a District of Columbia residence.

(b) If the parent, court-appointed guardian or custodian cannot provide the above-described documents (e.g., in the case of a homeless student), the Superintendent or the Superintendent's designee has the discretion to grant an exemption to the required indicators of District of Columbia residency to permit attendance in a D.C. public school.

Amend Sections 2009.2 - 2009.7 as follows:

2009.2 In any case where a student has been denied admission on the grounds that the student is not a resident of the District of Columbia for the purposes of tuition-free instruction pursuant to the provisions of section 2000, the adult student or minor student's parent or guardian shall be given written notice of the denial and notice of the procedures for review of the claim of residency, as provided in this section.

2009.3 Requests for review of contested residency cases must be filed in the required time period, within ten (10) school days of the issuance of the decision, by an adult student, or minor student's parent, guardian, or other responsible adult with the Superintendent or the Superintendent's designee. If a request for review is not filed within a timely manner, then the decision by the Superintendent or the Superintendent's designee is the final administrative decision of D.C. Public Schools.

2009.4 Upon receipt of a request for review of a contested residency case, the Superintendent or the Superintendent's designee shall notify the claimant of all rights and procedures applicable to the conduct of the review.

2009.5 In all contested residency cases, the Superintendent or the Superintendent's designee shall first attempt to settle claims through fact finding, interviews, and discussion with the parties.

2009.6 The review of the contested residency shall be performed by the Superintendent or the Superintendent's designee. If, after the review of the contested residency case, it is determined that the claimant failed to provide the required proof of District of Columbia residency, the decision of the Superintendent or the Superintendent's designee shall be the final administrative decision of D.C. Public Schools.

2009.7 In all contested residency cases, currently enrolled student shall be allowed to continue to attend school without prepayment of tuition pending the final administrative decision by the D.C. Public Schools.

Delete Sections 2009.8 - 2009.16

Mr. DAVIS. Thank you. I think it is right on target.

Ms. Harvey, thank you very much for being here. Please feel free to take your time. You don't get the forum a lot of times in this city the way things are structured, so take the full time. You don't have to be quick. We're happy to have you here.

Ms. HARVEY. Thank you, Chairman Davis. Good afternoon to Congresswoman Norton as well. I am joined this afternoon by Benjamin Bonham, the ward 6 representative on the D.C. Board of Education.

Mr. DAVIS. Welcome.

Ms. HARVEY. Thank you for an opportunity to testify this afternoon. The Board of Education is deeply concerned about the accuracy of the enrollment count. The board as a policymaking body must have reliable information upon which it can base its decisions and recommendations.

As indicated by many of the speakers this afternoon, the problem is a part of a long-standing controversy. One of the justifications for instituting the emergency board of trustees and hiring Gen. Julius Becton was the past administration's problems with opening school on time, providing a validated student count.

The fact that the D.C. public schools continue—under the new leadership—to have difficulty with the student count is disappointing but not surprising. Systems are still not in place, and much has been discussed this afternoon about the need to put those systems in place. As a member of the school board, I applaud their effort and maintain that we must move in that direction. The maintenance of adequate student records and data and accurate descriptions of the current enrollment helps us as a board of education to predict future enrollment and get the data needed to make policy, management and oversight decisions in a timely and transparent manner.

I will not pretend to be an expert on systems. However, the board believes that these systems must be upgraded with geographic information for facilities planning and data management systems to maintain student records. As indicated, former Superintendent Franklin Smith labored under the inaccuracies of our student records system, and the current administrative team has not made major progress in improving this system.

The board is clear. Uncertainty about the accuracy of our enrollment count handicaps the district public schools in many ways. First, student count is the starting point for many of our financial formulas and planning activities. All of our academic and facilities planning begins with the assumption of the number of students that we serve. If we fail to be certain of the measurement of this number, it will be impossible for us to move ahead in a productive manner, and we would end up with faulty information.

It is my opinion that good data puts in place the process for good public policy. I am intensely aware of what has happened when there has not been good data placed before the Board of Education and its constituents.

Let me just diverge and be personal for a moment. For the last 11 years I have had the opportunity of representing ward 1, one of the most diverse communities in the District of Columbia. Regardless of what the data says, the schools in the ward 1 area, especially in the Shaw and the Columbia Heights area, are busting from their seams.

As we entered into in the last round of school closing which resulted in the closing of two schools, there was much discussion around the potential growth in that area. The consideration of a major housing development and the Metro construction indicates future enrollment trends in the District of Columbia. It is my opinion that ward 1 is just one of the many examples throughout the District of Columbia that we need to have accurate data, that we can show growth and patterns.

It is, therefore, not surprising to me as a board member of 11 years that the charter school proponents are attempting to respond to the unmet demands and are now seeking to use the same buildings that were closed.

A similar problem emerges when you look at the draft facilities master plan prepared by the District of Columbia public schools. Hampered by the lack of credible current and projected enrollment data, the plan fails to give a vision of the kinds of schools and their geographic distribution that we will need to support revitalization in the district. I believe the City Council was correct when it rejected that plan.

I strongly believe until we have a complete, and I underscore complete, picture of current and projected enrollment, we should not proceed with additional school closings. We must be able to plan for success and meet the needs and demands of families returning to our improving schools. I believe it is highly plausible that over the coming years, the number of school children may increase significantly.

If I may diverge from my testimony, I would say if you will look at the surrounding jurisdictions, you will see a boom in the student population. I think the D.C. public schools want to be prepared in the future so that we can address that projected growth in our population.

Again, let me emphasize the need for good data to make good policy decisions. Our city budget is capped, and we cannot request additional money just because we have not planned well. The DCPS cannot make credible arguments for an increase in the education budget without more credible data. We need a reliable student count to accurately calculate the core allotment in order to fund our charter schools, and we need more good data for every aspect to make our schools good: new and modernized schools, textbooks, library acquisition, teacher recruitment, training, et cetera.

Let me close by saying that the goal of the District of Columbia public schools is to be a first class school system that our residents deserve for their children. To get to that, we must have integrity restored in the enrollment count, and we need to move toward that end.

In conclusion, I believe it is time to stop operating in an emergency mode and postponing serious planning. Of course we must act with urgency, but we must take the time now to put in place systems that we need to begin to plan well, to budget well, and most of all to succeed well for the children in the District of Columbia.

Again, I thank you for the opportunity to speak and will be glad to answer any questions you may have of me.

[The prepared statement of Ms. Harvey follows:]

March 13, 1998

Testimony of Wilma Harvey, President of the Board of Education of the District of Columbia before the House of Representatives Committee on Government Reform and Oversight.

Thank you for the opportunity to testify today. The Board of Education is deeply concerned about the questions raised around the accuracy of the DC public schools enrollment count. The Board, as a policy body, must have reliable information upon which to base its decisions and recommendations.

As you know, the problem is part of a long-standing controversy. Among the justifications given for instituting the Emergency Board of Trustees and hiring CEO Becton was the past administration's problems with opening schools on time and providing a validated student count. The fact that the DC public school system continues, even under the new leadership, to have difficulty with the student count is disappointing, but comes as little surprise. The DCPS has continued to postpone putting in systems we need to maintain adequate student records and data that accurately describes current enrollment and helps us to predict future enrollment and to get the administrative and enrollment data needed to make policy, management and oversight decisions in a timely and transparent manner.

I will not pretend to be an expert on these systems. However, the advice the Board has received from informed citizens is that the DCPS needs both an upgraded geographic

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information system for facilities planning and a large data management system to maintain student records through which we can track our students and project enrollment. Our management information system was outdated years ago. Superintendent Smith labored under the inadequacy of our student records system and the current administrative team has not made major progress in improving this system.

The DC public schools must find the will and resources to install or contract for these systems, or we will continue to be subjected to hearings such as this one today in which we are asked to defend our record-keeping.

Uncertainty about the accuracy of our enrollment count handicaps the District public schools in many ways. Student count is the starting point of many of our financial formulas and planning activities. All of our academic and facilities planning begins with assumptions about the number of students we serve. If we fail to be certain of such a basic measurement, it's possible that we go headlong into decisions based on faulty information.

Good data should be the beginning place of public policy. I am intensely aware of what happens when this is not the case because of my experience with school closings last year in my ward, Ward One. Ward One schools are bursting with students. Those of us who live there know that we have had an increase of large families moving into the area, that there is a planned major housing development and that Metro construction will increase the number of residents. Yet two schools were closed in this ward. Many of the citizens

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who advocated for maintaining these schools feel that the DC public schools overlooked the obvious indicators that Ward One will continue to experience student growth. I know that during that school closing process the system did not have adequate information of student enrollment and of the conditions of school facilities across to the District. As a result I continue to believe that mistakes were made. It is not surprising that charter school proponents attempting to respond to unmet demand are now seeking to use these same closed schools.

A similar problem emerged around the draft facilities master plan prepared by the DCPS. Hampered by lack of creditable current and projected enrollment data, the plan failed to give a vision of the kinds of schools and their geographic distribution that we will need to support community revitalization in the District. I believe the City Council was correct to reject this plan.

I strongly believe that until we have a complete picture of current and projected enrollment, we should not proceed with additional school closings. We must be able to plan for success and meet the needs and demands of families returning to our improving schools. I believe that it is highly plausible that over the coming years the number of schools children may increase significantly.

Again, let me emphasize: we need good data to make good policy decisions.

- Our city budget is capped and we can not request additional money just because we have not planned well;

- The DCPS can not make creditable arguments for an increased education budget without more creditable data;
- We need a reliable student count to accurately calculate the core allotment in order to fund our charter schools; and
- We need good data to plan for every aspect that make schools good – new or modernized schools, textbooks and library acquisitions, teacher recruitment and training, etc.

Let me close by saying that our goal is to be a 1st class school system that our residents support and to which they send their children. To get there, we need integrity in the enrollment count and we need the ability to make projections based on reliable data and we need the entire process to sufficiently transparent that we regain the confidence of our public.

I believe that it is time to stop operating in an emergency mode and postponing serious planning. Of course, we must act with urgency, but we must take the time now to put in the systems that we need to begin to plan well, to budget well and to succeed.

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Mr. **Davis**. Thank you. I have some questions for all of you. Let me start with Mr. MacLaury.

I know that in Fairfax County, where I come from, we have, from a perspective of good test scores, good early learning, we have half-day kindergarten there. We couldn't afford to go to full-day kindergarten. We had to set priorities of what we could do in high school, what we could do with technology. Most of the other jurisdictions, and I don't know what all of them have here, have half-day kindergarten.

The city somehow with its budget has made the decision to go to full-time kindergarten. That is appearing to be a magnet attracting some people into the school system who are not paying their due. I think that raises some interesting issues in terms of educational priorities, in terms of are we losing more revenue than is actually projected because it is a magnet, and we are not having people certify or prove their residency.

Have you given any thought to going to half-day kindergarten like the surrounding jurisdictions? I ask Ms. Harvey the same thought in terms of you couldn't go back now, I guess, because you have done it, but how do you look at these policies and give the justification, and what are the real costs?

Mr. **MacLaury**. I think the short answer to your bottom line question, have we as trustees looked at the question of curtailing from full-day to half-day kindergarten, the answer is no, we have not looked at that. Nor have we looked at full-day prekindergarten for that matter, which has the same kind of inducement actions.

But it seems to me that one needs to separate the kind of programs that are offered to the children of the District of Columbia who have special needs, use that in the technical sense, but who have needs for preschool education, on the one hand, from enforcement of residency on the other. And let's work on the enforcement of residency requirements first. Yes, it is an inducement. It is being taken advantage of in a way that is not supportable. Therefore, we have got to enforce the residency requirements.

Mr. **Davis**. Again, I am not challenging the policies. I am just saying have you examined, have you looked at what is the basis, and maybe in trying to do the right thing by the city's young people, particularly the early years, kindergarten and prekindergarten, have we created some issues that need to be looked at further and clarified? That would be more in that line.

Ms. Harvey.

Ms. **Harvey**. Chairman Davis, I believe that the District of Columbia school system has been on the cutting edge in relationship to all-day pre-K, et cetera. I would be the first one to say that we are talking about two different aspects. The students that attend the D.C. public schools need to have as much early entry into the school system as possible, into the teaching and learning process.

I would implore that we continue along that line, because our early childhood programs have been one of the flagship programs that we have had throughout the District of Columbia. I would hate to see that impacted with the verification of enrollment. But, however, I think we need to look very carefully at the number of students that we do have.

Mr. DAVIS. Ms. Harvey, why is it impacted with verification of enrollment? What is the big deal?

Ms. HARVEY. I am saying it should not have. When you verify the enrollment, we should also verify the enrollment in the grades where there basically are children who are of nonschool age.

Mr. DAVIS. I see what you are saying. All-day kindergarten raises some wonderful opportunities for kids in the city, that perhaps in the city need it more than other areas. Let's concede that as the basis for the policy, and I don't have any reason to quarrel with that.

But the unintended consequence of that is you become a magnet for other folks coming in here in jurisdictions who don't want to pay those extra dollars for all-day kindergarten, but whose parents may work in the city or have relatives in the city, and then all of a sudden the costs for the program grow exponentially. Unintended but exponentially.

We are in a situation, given the current funding level for schools and other priorities, where I think I hear an agreement on this panel that we need to focus on educating our own in the city, as opposed to being a veritable charity basket for other people who would like to take advantage of this and have relatives in the city or work in the city or whatever, but their local jurisdictions have made other decisions.

Ms. Ladner.

Ms. LADNER. Yes, I would like to speak briefly to that. Two years ago Superintendent Franklin Smith offered up the all-day kindergarten for nursery school kids. There was an enormous avalanche of protest against it for several reasons. One is that—I learned then that it is considered to be a national model by authorities in preschool learning, so that a lot of the very informed parents who are aware of such things protested against it.

The other is that Mrs. Harvey and Dr. MacLaury have spoken to an essential issue, and that is that so many of our children enter school with some disadvantages educationally. It is very much needed. I too would separate the fraudulent numbers of children who are in these programs, and we get all kinds of anecdotal evidence about the cars from Fairfax and Prince Georges and Montgomery counties driving up to the schools, in some of the more affluent areas as well, dropping those kids off before they go to work.

Mr. DAVIS. And saying, "Thanks, D.C., we appreciate it."

Ms. LADNER. Absolutely. I think it is critical that we get those people out of the schools. But I would not be in——

Mr. DAVIS. Or have them pay, that is even better.

Ms. LADNER. Or have them pay. They should pay. But it is used—as I said, the avalanche of criticism came from the addresses in the city of people in middle class neighborhoods.

Mr. DAVIS. I would think so. It is great to afford. We have looked at that in the Commonwealth of Virginia, looked at it in the County of Fairfax, which I represent. It just wasn't affordable.

Ms. LADNER. My personal view is it was not affordable the District of Columbia, either, but it was one of those priorities that was made.

Mr. DAVIS. That is OK. I don't think we ought to quarrel with that here. We have to look at what are the consequences of that and how can we make it even more cost-effective. There is a lot of evidence, it seems to me, that first of all early learning for many of these kids who are at risk is the best dollars you can spend. That is critical. Second, in the city's school system in terms of what works, it works better at the lower grades than it is working at the higher grades. Is that a fair comment?

Ms. LADNER. Yes.

Ms. HARVEY. I think it is a very accurate comment. I think the earlier that we get young people involved in the teaching and learning process, the better chance we have of having them maintain and stay within the school system. I think research bears that out. That is why the communities throughout the District of Columbia, be they in northwest Washington or southeast Washington, are very much in support to all-day pre-K and our early childhood programs.

Mr. DAVIS. A lot of the questions for this panel were already addressed in the last panel. You may want to supplement that, and I will be able to hit some of that later. Let's move quickly now that we have these understandings and agreements.

Let me say we will be following through these issues closely. If informal contacts don't seem to be satisfactory, we will have more hearings, we will write formal letters and ask for continued GAO involvement in these issues.

The idea of trying to open the schools on time this year, given that court order, was impossible for anybody. If you don't do it this next September——

Mr. MACLAURY. Out of here.

Mr. DAVIS. The problems inherited were significant. In my judgment, Ms. Harvey, you had some great members on the school board, you being among them, but it was just not operating in a very functional manner, given some of the coalitions that you had prior to this. I hope very shortly that we will be able to get back to where we were and give you an opportunity.

That is why I want to keep you as involved in these processes as we can, working with Mr. MacLaury's group, working with General Becton and keeping you involved. I get the feeling that maybe that hasn't happened to the extent it should. If we really talk about handing back and restoring the democratic institutions in this city over the long term, we have to make sure you are involved in many of these corrections so we understand some of the mistakes of the past.

Democracy doesn't just happen and work. It needs to be nurtured. It is a learning experience for all of us. This country has been very successful, but we have had notable failures across the country in different areas in terms of working unevenly. This city has such great potential as the capital of the free world. It was very difficult for all of us to have to go to a Control Board and do some of these things. But in very short order I hope that most of the institutions we had prior to this are going to be having to pick it up again.

To the extent that you folks are working together on these issues and talking and discussing and learning, I think it is going to help when full authority is restored back to the school board. In the meantime, I appreciate, Mr. MacLaury, what your group is doing in taking leadership on some of these tough issues like closing schools that were not addressed before, that had to be done.

I just want to note one other thing, this is just an opinion, and I will give you a chance to react to it. I think if it had been up to me, I would have probably closed a few more schools. I know it is a painful undertaking, but given the fact that the average age of the schools and their condition was so bad, you were spreading a lot of money into your facilities that could be spent elsewhere, and if you can close them and consolidate, that is a more cost-efficient way. When McDonald's buys Roy Rogers they don't keep everything open, they consolidate and sell and do those kinds of things. I think the city had to face some of that.

However I am cautioned by what Ms. Harvey says in terms of the school population going back up. It has gone back up in New York City with a vengeance. It is even going up inside the beltway in northern Virginia, which for a long time had remained stable. I don't pretend to predict what the development patterns in the city are going to be, or the demographic patterns or the birthrate patterns over the next decade or two. But we are hopeful that with the first-time home buyers discount we will bring the flight of the middle class back into the city. We hope parents will have confidence to send their children to the public schools.

That is a cautionary note we need to look at. I don't know where it sets at this point. I just offer that as an observation of somebody who is not intimately involved, but has been involved in a suburban jurisdiction where it has gone through patterns of baby booms in areas where it doesn't go as well. I will give you an opportunity to respond to that and then I will hand it over to Ms. Norton.

Ms. HARVEY. I just want to respond in relationship to the statement about the Board of Education. In its reorganization this year, the Board of Education has indeed begun to look at, first of all, how we can regain the confidence of our own constituents.

First of all, we have added to our committee structure a parent advisory group. We are going to start taking our stated board meetings back out to the community so we can get a good thrust of what the communities are feeling as we are going through this transitional period, so as we begin to plan for the transition of the Board of Education to take its rightful power back in a year and a half or so, that we will be in a position to do that. We look forward to being cooperative with all entities that are concerned with the quality of public education for the children in this district.

Mr. DAVIS. Mr. MacLaury.

Mr. MACLAURY. A couple of points. First, on your injunction that we work together with the board of education. Dr. Harvey and I were cochairing last evening a jointly sponsored meeting, public meeting, to talk about some of the most important issues; that is to say, summer school, the gates for promotion and bring that story to the public, the public that really needs to know. We were walking hand in hand.

Mr. DAVIS. We need to know here.

Mr. MACLAURY. It does not help, the fact that the board of education still is in courts vis-a-vis the control board on this issue. But we are trying and Dr. Harvey and I are going to find ways to work together.

Mr. DAVIS. We are counting on you to do that. I know it is tough when you are getting sued and you have the rhetoric.

Mr. MACLAURY. We are not getting sued.

Mr. DAVIS. Well, you aren't.

Mr. MACLAURY. Exactly. There is a suit going on. On the facilities question, just to put it in perspective, I won't swear to these numbers, but I think what I recall is there were some 16 million square feet under the jurisdiction of the D.C. public school system, and that we were occupying something like, or need on a student count, back to that question, maybe 12 million square feet.

So there is somewhere between 3 and 4 million square feet extra that are being maintained, of both buildings that are not needed. We will have to come back as trustees to that question. It is a very tough political question, as you know. You have heard Dr. Harvey speak to the other side of that question.

Mr. DAVIS. I have been on it, too. I have sat in local government where those are very difficult and anguishing.

Mr. MACLAURY. We are now going through a ward-by-ward revalidation of the long-range facilities plan that was done last year to refine it and make it more responsive.

Mr. DAVIS. But, Mr. MacLaury, it is even more expensive in the District's case. You talked about the uniqueness of the city because the facilities are so old than it would be if you had brand new schools. These are decisions that have to be made.

In a sense, it is more difficult for the elected bodies to do that because voters tend to be very parochial when it comes to their neighborhood school. I respect that and understand it. But that is almost a 25 percent surplus or 30 percent, depending on how you look at it, of old property that is expensive-to-maintain that you really don't need today and you want to plan for tomorrow. As Ms. Harvey says, you want to plan for a day when maybe demographics go up slightly, that by you having a surplus built in there now that it may be cost effective. These are decisions that need to be made.

I applaud what you are doing. I am glad to hear you are working together. I just say from our perspective up here, we are counting on all of you doing that. It is a complex, almost cumbersome process with so many layers of people doing it. You have got the elected board of education, you have got the advisory board, you have got the control board on top of that, and we recognize it is cumbersome. But decisions are going to be made through this. By working together, some of these layers will disappear in short order and it will go back to you, Ms. Harvey. So to the extent that you are in there pitching, cooperating, giving suggestions, doing all those kinds of things, I think we all feel more comfortable.

Ms. HARVEY. Thank you.

Mr. DAVIS. I am going to now yield to my ranking member.

Ms. NORTON. Thank you very much, Mr. Chairman. I join what you just said about how the committee views followup on this hearing. Mr. MacLaury, you have in your own testimony some of what needs to be done on the school count. I am not going to go over the concerns that I have already mentioned to the two administrative officers who are responsible except to indicate the urgency of getting beyond the fraud and, again, allegations even beyond fraud.

We have got to understand that there are allegations that the numbers are being kept up deliberately and that this committee is going to—I hope you will involve yourself with General Becton in getting the detailed plan to us before school is out. Because sometimes the deadlines aren't met and since we may be talking about massive fraud and lots of money, it behooves us all to get out and find this when we are already behind it.

Mr. Chairman, I just want to say for the record, we are not about to cutoff our own kids in order to get at incompetence and fraud. Perhaps; that is bringing nonresident kids in here, particularly in light of what we know about 0 to 3. If we don't get these children when what science tells us their brain capacity for certain kinds of tasks is being formed, it is much harder to get them later. So that the most important thing I think you are doing is the early childhood. You are probably saving thousands of children who are in that program.

If you had to make sacrifices anywhere else, that would be the last place to go. That was before we even knew about the new science. The new science is devastating. It goes way beyond disadvantaged kids. It really has been a wakeup call for middle-class people who thought they were doing everything right for their kids, that we just don't understand that if you pass certain markers in a child's development, the child won't be retarded, the child might do well, but the child would have done much better had you known to do certain things at 2 or 3, at 5 or 7.

I know you are going to get ahold of that without throwing the baby out with the bath water. I just want to track, Dr. Ladner, this notion, given the multiple layers we have now about these regulations that are finally out. They say the control board has to take actions now on the residency rule; is that the case? If so, when would that action be taken?

Ms. LADNER. That will be next week. We received the recommendation from the emergency board of trustees on March—probably March 6, since their meeting was held on the 5th. I would say that these regulations are very, very stringent. In talking with Ms. Harvey as the other panel was proceeding, some of these were in the works before we got an emergency board of trustees.

But such things as proof of, at least three of the following items: Proof of payment of a D.C. personal income tax; a current tax withholding statement, which contains the parents' or guardian's name and evidence of residency, of vehicle registration; documentation of financial assistance from AFDC or housing assistance or whatever other cash transfer programs; title to residential property or a valid unexpired lease agreement; and paid receipts or canceled checks for a period within the 2 months immediately preceding consideration of residency; payment of rent on a D.C. residence on which an applicant actually resides; a valid unexpired D.C. motor vehicle operators permit; maintenance of District of Columbia voter registration; one or more utility bills paid 2 months prior to the establishment of residency; and if the parent, court-appointed guardian or custodian cannot provide the above described documents, that is in the case of a homeless student, superintendent or the superintendent's designee has the discretion to grant an exemption of the required indicators of D.C. residency to permit attendance in schools.

I may make one point here. I would simply say that in addition to the fact that the authority—this is currently under review at the authority and that we will hold a public meeting next week to vote on—this will be under consideration. One point I would like to make to the committee is that we have some peculiar situations here because of geography. That is not to excuse this problem, but what do we do, hypothetically, for a child whose mother lives across the line in Prince Georges County and the father lives in the District of Columbia or vice versa?

Ms. NORTON. Who has custody of that child?

Ms. LADNER. I think those are the issues we have to get to. There are layers. We have to get down to court records of who has custody.

Ms. NORTON. Who has custody, again, this is an important point you are making because it can get complicated.

Ms. LADNER. Yes, it can.

Ms. NORTON. One way to keep it from being complicated is, we have mentioned this before, I think you all ought to go ahead and approve what you have. There needs to be an additional part to these regulations. The only enforcement in there now are appeals. That is enforcement for the other side.

As Dr. Grier said, unless people know that there is something to lose by coming here and not paying your due, they are going to continue to come. You all should not set up a system where you have got to put in place another whole bureaucracy for tracing people down. It seems to me the way to do that is to just have a real clear rule. You have got to have custody, which means you are the one that pays for the child as far as the court is concerned, although you might get some contribution from the father, and the burden is on you.

If you don't meet the burden, you're not in. The last thing D.C. public schools should do should be have to go out and find who has custody. If they can't tell you that, can't tell you in short order, back to where you came from.

Ms. LADNER. But I think, if I may speak, Ms. Norton, the school system used to have a division of staff members whose job it was to go out and track down these suspect cases. Those were cut in a lot of the budget cutting we had to do. I would think that this would be the proper time for us to consider the restoration or creation of some such body within the schools. I also think that more teeth can be put into the legislation by referring such persons to the Corporation Counsel's office, and I would hazard to say there that they may not have the wherewithal to do it in terms of staff, et cetera, but the U.S. attorneys office is an appropriate place, it would seem to me, to refer a lot of these cases.

I think the last thing we want the school system to get bogged down in is tracking down custody, because we have anecdotal evidence of people who actually have transferred custody or guardianship, I should say, to a person in the District over their children.

Ms. NORTON. That is legal. That can happen. I don't think many people are going to do that.

Ms. LADNER. Superintendent Smith did mention those in some cases.

Ms. NORTON. I am sure that will happen here and there. I don't think most people are going to go to that trouble. If so, they are probably a fairly small number of cases relative to the huge numbers that Grier is talking about.

In terms of trackdown, I can understand in the ordinary course of affairs, Dr. Ladner, I would say that having a few people who are supposed to go out and track down would make sense. I would recommend against that given shortages and the real needs of the school system.

I would begin by concentrating on a deterrent effect that would send a very strong message. I would begin by announcing, for example, an example of the way you go about it rather than spending my money; looking to see whether you are in compliance, my school system money. You are right about the U.S. attorney, I think.

I would announce before summer school, don't come here because everybody we find, we are referring each and every one to the U.S. attorney. The U.S. attorney obviously won't prosecute everybody, but when people hear that a sanction nobody wants to face will be in—I wouldn't want my name over there. Even if you decided not to prosecute, the deterrent effect, it seems to me, is worth more than putting people in an office that is spent by the school system. Let the U.S. attorney, then, take one action or another.

She may bring a misdemeanor charge; she may decide to plea bargain it, but the fact that she has done it gives us a New York City type boomerang and deterrent effect rather than have you all spend what money you have, especially when you are trying to do your summer school and the rest. Yes, Dr. Harvey.

Ms. HARVEY. Yes, I would like to add just a point, Congresswoman Norton, to the scenario here. What we have in the District of Columbia is a very fluid immigrant population. A lot of the students in that population are illegal. It is impossible in a lot of instances to track and get parents to come in with the appropriate documents. Yet these young people show up in our schools.

Whatever system that we build, we have to be sensitive to that population so that every child, no matter what the case may be, is engaged in an opportunity for entry into our school system. And also and especially in certain areas of the city, we have a real grandparent issue.

A lot of the grandparents will show the appropriate documents and maybe, like you said, move to a higher level, but once again, these grandparents are, indeed, the only resource that these young people have. They live with them, and their parents cannot be located. There are other extenuating variables that I think we need to factor in.

Ms. NORTON. I don't factor in a single thing you said, Ms. Harvey. Not a single thing. First of all, as the chairman said, they are legally entitled to go to school. If they live in the District of Columbia, they are illegal. Under the Constitution of the United States, they are entitled to an education. We will educate them. The illegality that bothers us is if they come in from outside of our jurisdiction. If they are illegal, they pay taxes every day in this city, they live here.

Let me tell you why—don't go there, Ms. Harvey. Don't even go there. Did you hear Dr. Grier's testimony? I lived in New York.

Don't talk immigrants in this city. It is a two-bit town when it comes to immigrants. New York City has people from every country in the world in huge colonies that are in and out of the country, in and out of the city. You heard the man say, these folks know how to count people. Anything we have pales beside what they have in Los Angeles, what they have in Chicago. You are not doing it. Don't go there. We are telling them do it. We don't want any excuses about immigrants or grandmothers.

You think they don't have grandmothers in New York? Let me tell you something about grandmothers. They've got grandmothers in Haiti. They've got grandmothers in Bosnia. They've got grandmothers here who don't even know what custody is because a child just landed here and with nobody to take care of them. Those, we don't want to hear it. You are not responsible for it. You shouldn't start down that road because you all are going to get it back.

If we don't want to hear it from them, we certainly don't want to hear you in advance tell us about the kinds of things that all these other cities have, too. Atlanta has it. You heard what Dr. Grier said.

What we are saying is that the District of Columbia is full of competent, intelligent people, and if you put your minds to it, take somebody else's system, look at how they do it, how they deal with grandmothers, how they deal with custody, that will keep us from making our mistake, then we won't have to say we have anything such as—we don't have one single thing, not a single thing that other large cities don't have manifold. We just want to get it right here.

The way to handle this is to say, "Look, we're going to get it right. We're going to find out how the other people do it." If Congress even begins to hear that stuff is where we all get in trouble here.

Ms. HARVEY. I'm just saying that we need to create a system that encompasses all of this, Congresswoman Norton. That was my point.

Ms. NORTON. That is exactly what we expect, Ms. Harvey. I am sure it can be done. I am sure it can be done.

Could I ask what each of you all think about what I understand the city may be going to, that the Education Committee may be working on a real per pupil funding formula that they will be putting in place by legislation, and what you think of such a formula for the schools as a new way of doing business beyond the fact that you, of course, are counting and measure the budget by the schools. I am talking about the kind of formula they now have in the States. Ms. Ladner.

Ms. LADNER. I would like to speak to it. In fact, I believe that Councilman Kevin Chavous, chair of the Council's Committee on Education, Libraries and Recreation, has a working group that is currently trying to devise such a formula because it was mandated in the Education Reform Act of 1995.

Having said that, I think that the authority fully expects that the school administration will continue its effort in moving toward school-based budgeting and providing more autonomy to the local schools. That is under way now with regard to the planning. I am in favor of a per pupil expenditure, especially once we clean this data up, because it can be, perhaps, an equitable administration of scarce resources.

I think it should bring a measure of fairness. I'm not saying that there is unfairness in the system now, but at least if we are able to appropriate to each child, whether they are in the public school or a charter school, the same amount of money, then it will remove all the suspicion and doubt as to whether or not kids in one part of the school are getting the same as those in another or whatever.

Mr. MACLAURY. I would certainly concur. It's very hard to argue against a per pupil allotment formula, it seems to me, in the abstract. The question is, how do you arrive at it? What do you count as add-ons for preschool or high school? How do you differentiate among special needs kids and the like?

It's the application and determination of the formula, not that there exists such a formula; that is the tough part. It's not in conflict, I think, with school-based management. That is still—in fact, you can argue on the contrary, that it's essential to school-based management or at least it's complementary to it. We have to have it because we are going to have charter schools.

We have charter schools and we are going to have more charter schools. We have to have it. If we are going to have equivalency across public schools and charter public schools, we have to have a unified per pupil expenditure amount.

The last point I would make is that on the basis of where Councilman Chavous is at the moment with this exercise on per pupil allotment, it would show that on that basis, the public schools for the school year 1999 should be asking for $583 million in local funds as opposed to the $543, I think it is, that we are asking. The current formula, if you apply it pro forma to the number of students that we think we have, correctly or incorrectly, would give us a higher number.

Ms. NORTON. But concomitantly, if anything like what Dr. Grier has said is correct, that might indicate that the schools are overfunded and that schools need to look at how they are spending money and in streamlining in a way that makes sure the money goes to the students. It cuts both ways. Yes, Ms. Harvey.

Ms. HARVEY. I think that the Board of Education is on record around the issue of equity. I think if this formula does indeed come forth around the issues of equity in relationship to students, that, indeed, is something that the Board of Education would continue to employ and review as we pass—as the council begins to look at this particular formula.

And also, the board of education is also on record with school-based management and school-by-school budgeting. As a result of this, I think that the council is beginning to look at a way in which the school system can come up with the adequate funding that we need. I think what the Board of Education is waiting now to see is how does it really play out in relationship to the base.

For example, I think Mr. MacLaury is absolutely on target. When we speak about our special education children, those kinds of factors are things that we are seeing how the formula process would work out. But it is truly something I think that is needed to bring the school system up in regards to equity.

Ms. NORTON. Mr. Bonham, do you have any view on that?

Mr. **BONHAM**. No, I do not. I concur with Ms. Harvey.

Ms. **NORTON**. Yes, Dr. Ladner.

Ms. **LADNER**. I speak to a related issue. Recently, the authority has been working with the school administration on a possible supplemental appropriation for summer school. Mrs. Ackerman's summer school program, for example, she and her staff are planning for between 15 and 20,000 children. That is not budgeted. In addition to which, she expects that if we are to bring these children up to national standards within any reasonable period of time, we will have to, commencing in the fall, reduce the class size, offer a lot of, not enrichment, but augment their education with more reading teachers, for example, more tutorials in math, a kind of immersion program.

I would say that while we can allocate on basic per pupil formula, we also are going to see that there will be additional needs for dollars that cannot be accommodated within the present budget. I think the long-range question for the Congress will be, and for the way in which we spend our local funds in the District will be whether or not we can reallocate or reprogram enough money to take on what amounts to nothing less than a major, major educational overhaul in the curricula and immersion for these students who are grossly, grossly behind, grossly underprepared and far, far behind, I should say.

Ms. **NORTON**. I think you raise, perhaps, the most important question confronting the school system at least in the short term. One of the reasons that I want to get this issue off the table, because I can tell you it will come back to bite us if we ask for more money. They will say, how do we know that there are 15 or 20,000 people? And if we don't have an answer for that, there goes the ball game.

What she is doing is very important with this year-round school. I am going forward every day on vouchers, because they want to come forward with $7 million for vouchers. I am sending "Dear Colleagues" around saying, "D.C. is getting rid of social promotion." That is exactly what the Congress asked it to do.

Unless you want this to devastate the kids and really throw us back, give us that $7 million, to put this year on this year-round school. It is the most important thing they could do. I think it is one of the most important things that the schools could do. It is something that I must say I applaud very much and believe that it must be successful. If it is not successful this first year, then kids and parents are going to say that social promotion has indeed—that they want to go back to social promotion. You know what will happen. So it is very important that you be successful. I would like to try to get some more money, but you can see the difficulty I would have now with this count.

Ms. **LADNER**. Also, Congresswoman Norton, another area that I think you and the chairman of the committee are perhaps aware of, if not, it would be very important to become aware of, and that is the tremendous escalating cost for special education. We have some initial projected figures for the cost of transportation next year for special ed that exceed $20 million. The costs are growing astronomically because, first, we are getting more children diagnosed, and, second, we are processing them now.

Lois Brooks, Mrs. Ackerman's assistant for special ed, has brought in teams of people who are processing almost 7 days a week because we have typically fallen far behind the number of days mandated to process the children. I might say that our 45 days, 50 days, is far behind the national norm of 120 days. We need legislation from the council to bring us into conformance with the national norm on the number of days for processing.

Ms. NORTON. General Becton has brought this to my attention. Has the control board and the board of education made a recommendation to bring us into sync with the surrounding jurisdictions?

Ms. LADNER. We are working on that now, but I may defer to Mr. MacLaury, because he has been closer to it than I am.

Ms. NORTON. This is outrageous. What is happening is that the district is spending money, some of which would not and should not be spent simply because of the time period allotted. Of course, these were sins of the past. But why shouldn't we be brought to the position of others rather than in some super fast, jet age standard that nobody else has to follow?

Mr. MACLAURY. General Becton has spoken with Council Member Chavous about introducing a bill that would change this. I don't know whether we are asking for 120 days, but that is, as Dr. Ladner said, I believe the national average. We are uniquely held to a 50-day rule and the parents just wait us out. They know that with their lawyers that if they can wait for 50 days and we can't process their application in that period of time, day 51, they get the entitlement to private school at outrageous cost to the District and the District taxpayers.

We have legislation proposed through the council. The point made by Mr. Chavous is that I want to be sure that the District has the processing capability. If we introduce 120 days or 90 days or some other variant, that you will, in fact, meet that schedule. I think that's a fair request and we will demonstrate that we can.

Ms. NORTON. Yes, Ms. Harvey.

Ms. HARVEY. Yes. Let me just indicate that this 50-day time line has been an ongoing issue in the District of Columbia. The board of education, prior to the board of trustees entry, had tried on many cases to have the 50-day time line brought into compliance with the other jurisdictions.

The legal counsel within the school system has always brought up the issue around the backlog in the courts. So I think we really need to do some internal investigations around those issues as we begin to really bring us into compliance with that.

Ms. NORTON. Dr. Ladner.

Ms. LADNER. Mrs. Brooks, as I said, has her staff working and has brought in a large number of consultants and they are processing at a rapid rate. I would hope that we would be successful in getting this legislation, because I do believe we could fill it by now.

Ms. NORTON. General Becton did the right thing. He came to see me about it, recognizing that this was a home rule matter. He mentioned some shilly shallying, that is all I can call it, by Council Member Chavous, because the notion of can you guarantee that you can do it in twice or three times as much time as you now are forced to do it, they slide away from the taxpaying issue for the residents of the District of Columbia.

You are not trying to get away from the law, you are simply trying to get a fair standard. I wish you would do this. You can ask Mr. Chavous to call me if he wants to, but General Becton did not go around me; he came to me. This law is being abused in the extreme. People are waiting the law out because they know it is almost humanly impossible to do it in 50 days and that they will get a free ride in an expensive private school. That is the abuse. Now, I tell you, I am not going to do what Kevin Chavous has done. And if I didn't do it, somebody else would do it.

Ms. NORTON. But you can tell Mr. Chavous from me that either the home rule jurisdiction should bring people into account or you can bet that the Congress is going to do it.

This is—let me tell you what this abuse does. It means that the most conscientious, best-off parents in the District of Columbia who can hire lawyers and who learn the game are ripping off, I choose my words carefully, poorer people who pay taxes in the District of Columbia.

Now, I don't see what—I wouldn't—I might—I myself, as some of you may know, have a retarded child. I'm the last person that would say short-circuit these children. Neither do I say that you ought to be held to an impossible standard, and that the council would be the first to jump up in the Congress' face if this abuse is corrected up here. The council is shilly shallying on this. I hope that you all have some relationship with them. You've already been there. If he doesn't do it, then this abuse will be corrected from the Hill.

Let me compliment Mr. MacLaury and Ms. Harvey on what appears to be a joint meeting just last night. Let me ask you how many joint meetings are planned for the elected school board and the board of trustees?

Ms. HARVEY. Let me just answer, I don't think that we could articulate a number. But we have it in conversation, Congresswoman Norton, around issues that we believe jointly, the board of education.

Ms. NORTON. Can you give me examples of some of those issues?

Ms. HARVEY. For example, we are going to look at, how can I look at—we're going to look at the startup of schools, the readiness of schools issue. That would be one joint issue that we need some discussion around. The massive facility plan is another one that we need to have joint issues around. We've also had on the table some discussion around the teacher and principal evaluation structures, those kinds of things that we believe that is germane to the board of education having input.

Parents are very much concerned about the new guide that's coming over the student rights and responsibility. Those are the kinds of joint forums that I think would be advantageous for the board of education, board of trustees to begin the discussion with the communities about.

Ms. NORTON. Do you agree, Mr. MacLaury?

Mr. MACLAURY. Yes, Ms. Norton. As Ms. Harvey knows, I met with her shortly after her election as president of the school board back in January and proposed a list of, I don't remember whether it was six or seven topics, illustratively that we might work together on. And she has just now named a few of them. You could name others like bilingual education, issues that are sensitive, where the community has a very correct input, where we need to jointly hear from the community.

Ms. NORTON. You indicated that it didn't, to quote you, help that the school board was in the courts. The school board and apparently its counsel stood in readiness. They're not in the courts because they wanted to go to court.

I followed this litigation very carefully, and I'm very disappointed that what I believe could have been an amicable settlement in the beginning of a strengthened relationship was passed over. I think you forced these people back into court because a series of not only joint hearings but other joint action wasn't worked out so as to settle the lawsuit.

I want to know what you're doing now to settle this lawsuit so that matters involving the school system can be dealt with by grown-up people rather than put before a judge to try to force people to act like grown-ups and settle their differences. I would like to know what is the status of the lawsuit and what is the status of settlement discussions.

Ms. LADNER. I could speak to that, Madam Chairman. We have a—members of the Authority have a meeting with our counsel and representatives of the board of education and their counsel next Thursday, I believe, Thursday morning at counsel's headquarters. The two parties who will attend are Ed Singletary and myself—and I because we have the oversight from the Authority for schools—and along with our counsel Dan Resnik. I don't know—we're going to meet at plaintiff's counsel's headquarters. So Mrs. Harvey can better tell you.

Ms. HARVEY. Well, the board of education—the plaintiffs, I should say—in this instance will be—is scheduled to meet at Arent and Fox at 10 o'clock on the 19th. The board of education is—the plaintiffs rather—will be in attendance at that particular meeting.

To be very honest with you, Congresswoman Norton, the lawsuit does indeed kind of put a little strain in between the two bodies; but, however, we are committed. As the president of the board of education, we are committed to stay focused on what we have to do to get through this difficult process but stay focused on how we can best advise and offer our input to the board of trustees as well as to the Authority.

At each of our committee meetings, each action that we take we have forwarded over to not only the trustees but directly to the Authority so that they can actually see what the board of education is doing.

It is sometimes—you know, being a member of the board of trustees, sometimes I feel like I'm walking on eggshells. But, you know, we do what we have to do; and the bottom line is that I'm very committed to the children of the District of Columbia and my colleagues on the board of education as well. So we're trying to work through this process because we do feel that we could have taken another route. However, it didn't happen, so we're going to move with the route that we have to take.

Ms. NORTON. Well, first of all, I appreciate the maturity of that statement and the cooperation you're showing.

I know that Dr. Ladner had some ideas about how to settle the lawsuit. I thought they were creative ideas. She worked with other members of the control board. I still can't understand why counsel simply weren't put in the room. I really don't expect that Mr. MacLaury and Ms. Harvey either, who are lay people, should have been called upon to settle a lawsuit.

I regret that the lawsuit went ahead, and I have to tell you that I was astonished that—that the control board came down with an order after seeking an extension in order to settle the lawsuit without real negotiations with the counsel for the other side who I have found to be very realistic, able, and congenial attorneys.

So what I see here is another kind of unnecessary dispute which, as Ms. Harvey says, is there and kind of keeps them—keeps them from where they perhaps could be and they're working around it.

You have Mr. MacLaury saying, it doesn't help, as if somehow saying they were supposed to simply slink away. They won the lawsuit. And the people who lost the lawsuit to then issue an order without talking to the other side may be unheard of in the annuals of litigation in the United States of America. All I'm asking is that the lawsuit be put away so that Mr. MacLaury and Ms. Harvey can get down to the cases.

Now the problem I have with what you're talking about, Ms. Harvey, is that I think lawsuits are settled—usually, even halfway competent lawyers could have gotten together, frankly, without the parties in the room; and most lawsuits are not settled with parties in the room.

The lawyers get together because that's what lawyers are trained to do, and they come with certain things that they think that their clients need. They talk at—among one another. They try to reach some agreement. Where they don't feel fully empowered to go ahead with certain kinds of proposals, they say, we'll have to come back on that one. And, normally, they can settle lawsuits like this pretty quickly.

So I would hate to see, you know, you and Mr. MacLaury have to—have to do what, frankly, is not done in lawsuits, have to be there while somehow this is being—I hope you will tell your counsel what it is you want, you who are the elected school board, that the control board will tell their counsel what they want, and that the lawyers will do what lawyers are trained to do, figure it out, come back and see whether they can bring you back each a win/win situation, rather than prolong this by getting the parties and everybody all bollixed up in settling a lawsuit which is not what parties do in this country when there's a been a lawsuit.

Yes, Dr. Ladner.

Ms. LADNER. Let me make one point, Ms. Norton.

The Authority never delegated Mr. MacLaury and Mrs. Harvey to settle this. We simply asked—rather than the Authority coming up with a list of items or duties, et cetera, that we thought would be good for the board of education to consider or to carry out, the fact is that we asked them to have a meeting together to discuss these issues and to report back to us. Under no conditions was it ever envisioned that that—that they would have the power to——

Ms. NORTON. Well, what was the result of that meeting, Dr. Ladner?

Ms. LADNER. Well, nothing. There was no result.

Ms. NORTON. Because I think it's almost unfair to the parties that, you know, to—I know what you were doing. It made sense.

Ms. LADNER. We were trying——

Ms. NORTON. You were trying to get them in the room and talk things out. But, after that, you would have thought that the lawyers, having heard what they say——

Ms. LADNER. I'm sorry.

Ms. NORTON [continuing]. Then there was an order that came down.

Ms. LADNER. No, there were a lot of things that interceded in between. I think the fact is that we never got back from those two people an agreed-upon, a mutually agreed-upon list of things to do, period.

I got a memorandum back from Mr.—Dr. MacLaury. Dr. Harvey, I don't know what her views were.

But suffice it to say that the sequence of events that you have just stated were a bit abbreviated. Let me simply say that I hope that's water under the bridge. I, more than any—as much as anyone I can imagine would like for this to be settled. I believe very, very strongly that we have to begin to put in place a process that looks forward to the return of the board of—elected board of education to office.

I have to say that we worked with a number of constraints that I really would not like to, you know, deal with here, that were almost beyond our control; and, at some point down the line, I would be able to discuss those with you. But we tried everything we knew how to get back to work as quickly as possible, and sometimes the best efforts really do not yield fruitful results. I don't think that we could say that it was not for a lack of trying, but I hope that the next round of discussions are more fruitful.

Mr. MACLAURY. Since I'm the one who seems to have put this fox in the chicken coop, if that's the right phrase, let me say that we should accentuate the positive; and that's what we have been—that's what I really intended to do.

Dr. Harvey and I are working together. We intend to continue to work together. The lawsuit will take whatever course it takes. It is not inhibiting us. It's a distraction in some ways. But it's not inhibiting us from going forward on behalf of the children. I think that's the bottom line, as far as I'm concerned.

Ms. HARVEY. I would like to say one thing, that the initial meeting between Mr. MacLaury and I, in my opinion, was to be a discussion and to open the doors of dialog; and from the advice of my attorneys and the board's attorney, we went into the room with that understanding.

Once again, you know it does weigh very heavy. I think you know, as a member of the board of trustees, it does weigh very heavy for me. I have 11 other—10 other people that I have to deal with; and there is some, you know, little human, what I call concerns, that exists in an environment like that.

But, once again, we're trying very hard to, as a board of education, to stay focused on the prize, and the prize is the children of the District of Columbia. I, too, am hopeful that, after March 19, that we will move in a different discourse.

I must say for the record that, under the advice of the attorneys, at the voting sessions of the board of trustees I have been asked to abstain, because we have not really gotten together, to see where we're moving. So I am participating in all of the board of trustees meetings. I'm reporting back to my colleagues. I'm asking for advice. I'm reporting out to the board of trustees on a weekly basis.

But it does kind of put you in a ticklish position. But, again, you know I've been in this business for almost 30 years; and my commitment from my hearts of hearts is that I'm going to do all I can to make life better in the educational arena for children and this city, no matter what the status may be.

Ms. NORTON. As long as you leave the lawsuits to the lawyers. My admonishment is this: The lawyers, the control board's counsel and the counsel to the lawsuit for the board of education would be asked to settle this suit next week by themselves the way lawyers do, to get from you what it is you think should happen but then to settle it as lawyers and get it out of the way. Because it is in the way, and you are doing all you can to keep it out of the way. But you should, frankly, not be—have to do that.

Ms. HARVEY. I agree with you.

Ms. NORTON. And no order should have been issued. And it was bad faith to ask for extension and then not settle the lawsuit. And that's not you. And that's the lawyers and that's the control board. It seems to me there is an obligation for the control board to say to your lawyers, hey, look, settle this suit now so you don't have this on the table.

One more question, Mr. Chairman.

Mr. DAVIS. I was going to say that I concur with your comments. I think they're very constructive.

Ms. NORTON. What is your plan for transition? What is your plan for the transition back to the board of education, which is due to take place by 2000?

I guess Dr. Ladner may want to comment on that, too. Obviously the, school board does.

Mr. MACLAURY. Surely.

There have been a number of thoughts. This is a process of transition. It is not a plan as such. There's not a piece of paper which we have agreed upon that is the—stems from here to there.

But I think that the question is one of direction rather than a specific plan, that we are working together, Dr. Harvey and I and our two boards, as best we can. And that, as we go forward where there are issues of importance to the children of the District, we are getting their advice as the control board order requires us to do, and we are working with them and will continue to work with them.

We have held last evening, for example, not just a public meeting jointly sponsored but our two boards met concurrently last night, those members who could be present. And that will happen—that will happen on a more regular basis.

Ms. NORTON. The chairman and I have exactly the same response to your answer. Why don't you say it, Mr. Chairman?

Mr. DAVIS. I think what would be helpful for this committee is the two of you to work together with the control board to come up with a plan. That would give everybody in the city a feeling of where we're going and how we're going to achieve it. We will continue to rework it, but that would be very helpful.

Ms. NORTON. It would be very helpful.

Let me tell you what our fear is. You know that while I didn't think the control—we should simply overrule home rule, I simply thought that much of the operation of the school system should have been transferred. I don't for a moment think you can give this back to an elected school board without a transition plan that guarantees us that, in fact, the school board and the school system is ready to seamlessly take it, run with it as if nothing had ever happened.

In order to assure that that will happen, we've got to have more than a direction. We've got to have something very specific. These people have got to be familiar with everything you've done. They've got to understand why they can't return if, in fact, they should not; and there's no way they can do that without a specific plan.

Mr. DAVIS. If we can just ask each of you to commit to try to work on that and get back with us, I think that would be——

Ms. HARVEY. If I can answer, the board of education right now is in the process of writing a draft of what we believe would be an effective transitional plan. And we do plan to present that to the board of trustees. That was one of our priorities in this year.

Mr. DAVIS. OK.

Ms. HARVEY. And we are in the process of writing a plan of transition.

Mr. DAVIS. OK. Thank you.

Ms. LADNER. I would like to say the control board has given some thought to this and that we're at midpoint from the—I guess of a year and a half to go, and it's been roughly a year and a half since the trustees came into existence.

A lot of realignment is occurring right now. I think we will come up with a plan. We don't have a date for it yet, but we certainly have a good sense as to how this should go, and we stand ready to assume that responsibility, for I feel it should be ours——

Mr. DAVIS. OK. Thank you.

Ms. LADNER [continuing]. With the input of the trustees and the elected school board.

Mr. DAVIS. Thank you. We look forward to hearing from them. Ms. Norton, thank you for raising that issue. I think that's an important issue. I think citizens of the city are eager to see that. I'm sure the emergency board of trustees wants to see that. We appreciate all the work that you and your group are doing as well. You know, there's still a long way to go on this, but seeing everybody going in the same direction heartens us.

Ms. NORTON. Mr. Chairman, if I can say, finally, what I'm sure you will confirm, the Congress has its hearings, has its oversight. It basically doesn't pay much attention to DPW or to welfare. The Congress has a laser-tight focus on schools. That's why I'm trying to get there first on the school population.

In a real sense the whole—much of what we're able to do for the city as a whole depends upon the congressional view of where the schools are. So that your plan will keep somebody from saying that this isn't working, that this process isn't working, you know, that there are already beginning to be real complaints about the school system and people who embraced the notion of the board of trustees before.

So the plan I think will help everybody to understand that there is a working relationship here and, when normalcy comes, everything will, in fact, be normal.

Mr. Davis. Thank you all. I've got to run downtown. I appreciate everybody's indulgence sitting here.

Without objection, all written statements and additional material submitted by witnesses will be made a part of the permanent record. The record will remain open for 10 days. The subcommittee will continue to work with all interested parties to achieve our objectives.

These proceedings are closed. Thank you.

[Whereupon, at 12:20 p.m., the subcommittee was adjourned.]

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